



**Agence du Partenariat  
pour le Progrès**  
M C A – M A R O C



**MILLENNIUM**  
CHALLENGE CORPORATION  
UNITED STATES OF AMERICA

**KINGDOM OF MOROCCO  
AGENCY OF THE PARTNERSHIP FOR PROGRESS**

**MONITORING AND EVALUATION PLAN – MOROCCO COMPACT  
FINANCED BY THE MILLENNIUM CHALLENGE CORPORATION**

**June 2012**

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## **ACRONYMES ET ABRÉVIATIONS**

ADER	Agence pour la Dédensification et la Réhabilitation de la Medina de Fez (Agency for the De-densification and Rehabilitation of the Fez Medina)
AGR	Actions Génératrices de Revenu (Income Generating Activities)
AMC	Association de microcrédit (Micro-credit associations)
ANPME	Agence Nationale de la Promotion de la Petite et Moyenne Entreprise (National Agency for the Promotion of Small and Medium Enterprises)
APP	Agence du Partenariat pour le Progrès (Agency of the Partnership for Progress)
DME	Department of Monitoring and Evaluation
ERR	Economic Rate of Return
FLVT	Functional Literacy and Vocational Training
INDH	Initiative nationale pour le développement humain (National Initiative for Human Development)
ITT	Indicator Tracking Table
MAPM	Ministry of Agriculture and Maritime Fisheries
M&E	Monitoring and Evaluation
MIS	Management Information System
OFPPT	L'Office de la Formation Professionnelle et de la Promotion du Travail (Office for Professional Training and Promotion of Employment)
ODCO	Office de Développement de la Coopération (Office for Cooperation Development)
PDA	Points de Débarquement Aménagés (Fishing Landing Sites)
PLY	Place Lalla Ydouna
PME	Petite et Moyenne Entreprise (Small and Medium Enterprises)
TPE	Très Petite Entreprise (Very small enterprise)
MA	Ministère de l'Artisanat (Ministry of Artisan Affairs)
VT	Vocational training
WUA	Water Users' Association

## 1 Introduction

On August 31, 2007, the Government of the Kingdom of Morocco and the Government of the United States of America, represented by the Millennium Challenge Corporation, signed an agreement, the Millennium Challenge Compact, providing Morocco a grant of \$697.5 million. This agreement was based on a foundation of good governance and transparency with particular attention to monitoring and evaluation.

The goal of the Morocco Compact is to reduce poverty through economic growth by increasing productivity and improving employment in sectors with strong growth potential. The Compact will stimulate growth and increase employment in agriculture, handicrafts and small-scale fishing. Its investments will support activities impacting the economy at the national, regional and local levels, promoting improvements in economic growth, investment, employment and income while expanding domestic and export markets.

The MCA-Morocco program primarily targets urban and rural areas with significant opportunities for higher employment benefiting from rich natural resources that do not live up to their economic potential because of traditional production methods that constrain productivity and quality.

According to the Millennium Challenge Compact, the Program execution is managed by the *Agence du Partenariat pour le Progrès* (Agency of Partnership for Progress) ou APP, which has the legal status of a public organization with autonomous financial resources. It is administered by a Strategic Steering Board presided over by the Prime Minister.

The Morocco Compact is made up of five Projects: Fruit Tree Productivity, Small-scale Fisheries, Artisan and Fez Medina (that includes the Functional Literacy and Vocational Training activity), Enterprise Support, and Financial Services. The APP has established agreements termed Implementing Entity Agreements or IEA with various agencies to implement Projects:

- The Ministry of Agriculture and Maritime Fishing is the implementing entity for the Fruit Tree Productivity Project and for the Functional Literacy Activity in the agricultural and fisheries sectors;
- The National Fisheries Office (ONP) is the implementing entity for the Small-scale Fisheries Project;
- The Ministry for Artisan (SECA) is in charge of implementing the Artisan Production and Artisan Promotion Activities of the Artisan and Fez Medina Project, as well as the Functional Literacy and Vocational Training Activity in the artisan sector.
- The Agency for De-densification and Rehabilitation of the Fez Medina (ADER) is the implementing entity of the Fez Medina Activity of the Artisan and Fez Medina Project;
- The OFPPT, ANPME and INDH are the implementing entities of the Enterprise Support Project;

## 2 Objectives of the M&E Plan

The Monitoring and Evaluation Plan (M&E Plan) provides guidelines on how APP will monitor the implementation performance of the Compact. The M&E Plan also describes how project performance and impacts will be evaluated. Monitoring and evaluation findings are intended to assist in project management and implementation and in some cases can offer guidance for future development projects in Morocco and elsewhere in the world.

The M&E Plan describes how project performance will be measured and how monitoring indicators will be reported, as well as the content and methodology for the evaluations. The M&E Plan is in compliance with the requirements of Annex III of the Compact, which broadly describes the M&E approach required by the Compact and MCC “Policy for Monitoring and Evaluation of Compacts and Threshold Programs”. It is based on a ‘logical framework’ methodology that enables one to examine the benefit stream logic behind each of the Projects and identify related performance indicators.

The M&E Plan is a management tool that describes what information will be collected and how. The purpose of this information is to:

- Assess project results and identify and explain differences between expected and actual achievements. It describes the way in which the APP and implementing entities monitor project performance through selected indicators and the strategy for data collection and data quality assurance. Monitoring activities can help identify problems and suggest how project adjustments can be made.
- Provide data on anticipated and unanticipated impacts and overall project performance through evaluation activities. The M&E Plan describes the evaluations planned for different projects, their objectives, and approaches to be taken. Evaluation results can help improve program implementation and assist in strengthening the execution of similar projects in the future.

The results-based M&E Plan measures changes in outputs, outcomes and impacts affecting project beneficiaries by comparing actual results with target and baseline data. Dashboards will be provided on a regular schedule to APP Departments, implementing entities, and executing entities to assist them in project management.

The M&E Plan clearly establishes the responsibilities of different entities in charge of carrying out data collection activities. It defines data collection methods, the frequency of the data collection, how the data will be transmitted, and the responsible data-collection entity.

The M&E plan describes the cost-benefit analysis undertaken for all projects. Economic rates of returns or ERRs were estimated for every project at the time of the signing of the Morocco Compact to determine whether they were suitable for financing based on MCC’s economic criteria. These ERRs were calculated to measure the net benefits generated by each of the project (additional revenue to business or households less project and other related costs), or in other words, the amount of additional benefits to be generated under each project compared to a

without-project scenario (counterfactual). Net benefits are projected over a horizon of 20 years (generally), corresponding, more or less, to the life of the infrastructure or equipment to be put in place. An economic model in EXCEL spreadsheets is publicly available on the MCC website for each project.<sup>1</sup> The models were estimated with data available at the time and assumptions about the number of direct project beneficiaries, the distribution of benefits, and reactions of the beneficiaries (elasticities) to the economic opportunities provided by the project.

The economic analysis can be revised during the implementation of the Compact if a change in costs or scope of a Project or Activity is likely to modify the expected return. New ERR models are described here as well.

The main assumptions of the ERR models and expected outcomes are monitored to the extent possible throughout program implementation by tracking related indicators.

The M&E Plan is developed in collaboration with technical teams both at APP and MCC as well as implementing entities to ensure that it is responsive to their needs; it is circulated widely to ensure that all interested parties are fully informed on how Compact results are monitored and evaluated. The most current approved M&E Plan is available on the MCC public website.

### **3 OVERVIEW OF THE COMPACT AND ITS OBJECTIVES**

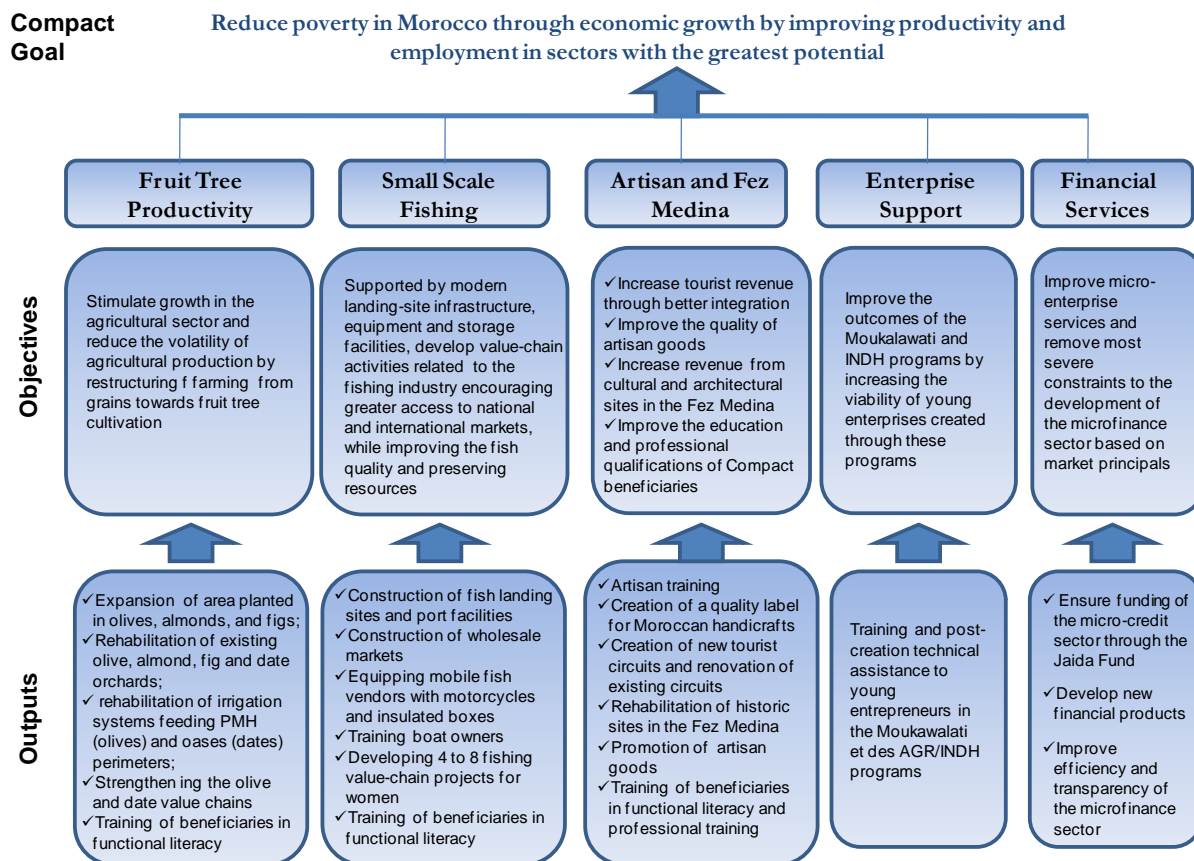
#### ***3.1 Overall Program Logic***

The goal of the Morocco Compact is to reduce poverty through economic growth, and the MCC Compact Program intends to reach this goal by improving productivity and employment in sectors with high potential for growth including agriculture, small fishery, and artisan sectors. The Compact also aims at reinforcing the microfinance sector and government programs promoting small enterprises. Finally, it supports literacy programs and professional training in the sector targeted by the Compact. The overall Compact logic is outlined in the following chart:

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<sup>1</sup><http://www.mcc.gov/pages/countries/err/morocco-compact>

## Logical Framework for the Morocco Compact



### 3.2 Program Logic, Projected Benefits, and Beneficiaries by Project

#### 3.2.1 Fruit Tree Productivity Project (\$326.2 million<sup>2</sup>)

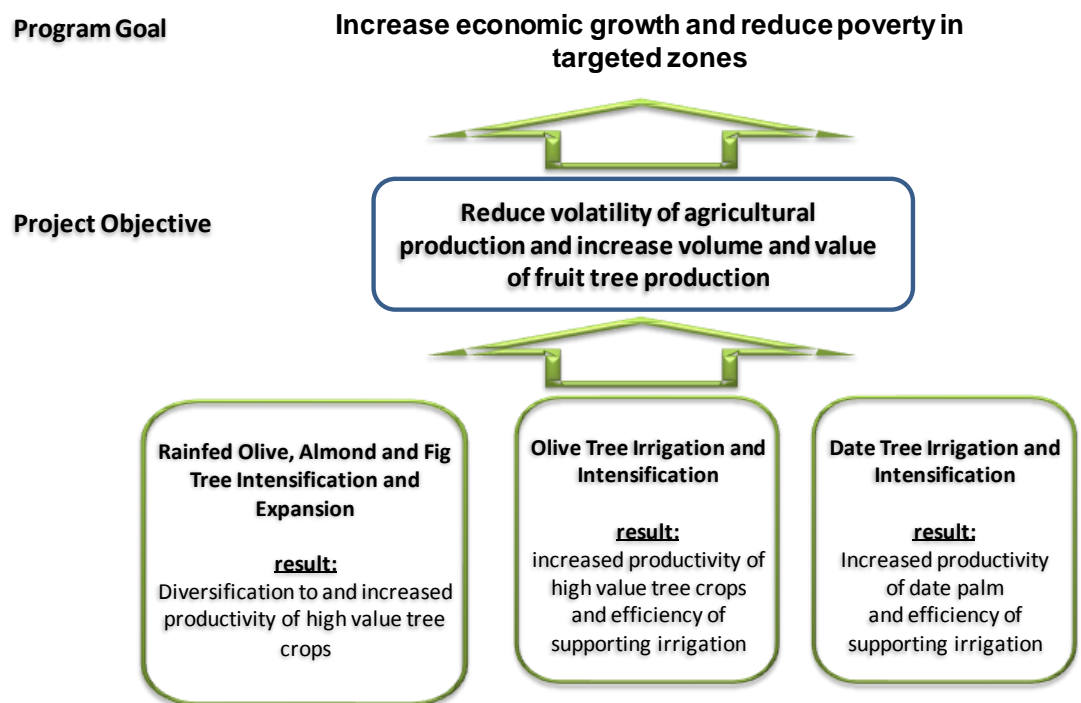
##### 3.2.1.1 Logic and Structure of the Project

The Fruit Tree Productivity investment is designed to stimulate growth in the agricultural sector through transformation from extensive cropping of annuals, notably cereals, to more productive market-oriented cultivation of perennial tree crops (olives, almonds, figs, dates) based on sustainable management of soil and water resources and improved links to national and international markets. The objectives are to: 1) reduce water needs in agriculture by moving from high water-use, low-value cereal grains to low water use, high-value commercial fruit tree species; 2) reduce volatility in agricultural production and farm revenues by expanding the area of commercial tree species that produce more stable yields and can better handle moisture stress; 3) protect the natural resource base by eliminating wheat production from hillsides, replacing it with trees that reduce erosion and conserve the soil; 4) replace wheat, where Morocco is not

<sup>2</sup> The initial budget for this Project was \$300.9m. The increase comes mainly from a reallocation from the Artisan and Fez Medina Project to fund the Catalyst Fund Activity.



competitive on the international market, with commercial tree crops, where it has a natural competitive advantage; and 5) organize and link small-holders to high-value markets.



The Project, which originally comprised four Activities, has five activities today.

*A. Rain-fed Olive, Almond and Fig Tree Intensification and Expansion Activity.* This activity is focused on the rehabilitation of 55,000 ha of rain-fed fruit trees and the expansion of fruit tree production originally on 120,000 ha and currently on 62,000 ha (see discussion on the re-scoping of the Project below). The primary goal is to increase and stabilize farm incomes in target areas by facilitating the shift to tree crops. This activity includes the following sub-activities: intensifying and rehabilitating existing olive, almond and fig orchards; expanding tree crops by converting hillsides planted with low-value, erosion-prone, annual cereal crops to new high-value, terraced, perennial olive, almond and fig orchards; training and technical assistance for producers, their families and producer associations. Training focuses on improved crop husbandry techniques and capacity development for farmer cooperatives in management, marketing, accounting, organization and access to financial services.

*B. Olive Tree Irrigation and Intensification Activity.* This activity supports the intensification and rehabilitation of existing olive tree production in small- and medium-sized irrigated perimeters called PMH (*Petites et Moyennes Hydrauliques*). The primary goal is to increase the efficiency of water-use and other crop practices to enhance the yield and profitability of olive production in the target areas. The interventions include upgrading and further development of existing irrigation infrastructure and technical assistance to producers, their families and producer associations on improved crop husbandry techniques. Support is also provided to existing Agricultural Water

Users Associations in operations, management and maintenance of irrigation water distribution systems.

*C. Date Tree Irrigation and Intensification Activity.* This activity supports the upgrading of existing small-scale irrigation infrastructure, in addition to intensification/rehabilitation of existing date tree cultivation in irrigated oasis perimeters. The primary goal is to increase the efficiency of water-use and other crop practices to enhance the yield and the profitability of date production in the target areas. The activity includes the improvement in irrigation infrastructure of small- and medium-sized irrigation schemes. It also supports the rehabilitation of date trees, including training on pruning, cleaning, and fertilizing of 140,000 existing trees and the provision and transplanting of date plants, including 250,000 disease-free in-vitro date plants and 60,000 selected offshoots from existing trees. The activity also includes technical assistance to producers, their families, and producer associations on improved crop husbandry techniques and the creation, training and advisory support of farmer cooperatives in management, marketing, accounting, organization and access to financial services.

*D. Fruit Tree Sector Services.* A variety of critical value chain support services have been designed to ensure the success and integration of the various Project activities, and include training to producers, producers' organizations, water users associations, and small processing firms on a variety of production, managerial, and accounting practices. This activity also includes applied research, support to the development of market information for agribusinesses, and pilot project to promote a greater integration of women in the value chain.

*E. Catalyst Fund<sup>3</sup>.* The primary objective of the Fund is to energize early investment in the targeted value-chains that will advance benefits to Fruit Tree Productivity Project (FTPP) farmers and secure sustainable market linkages. The grant funding also helps to partially compensate businesses for the perceived risk of building commercial relationships with Project farmers. The FFTP focuses heavily on supply-side development of olive oil, table olive and date value-chains. The Fund aims at complementing these efforts by partnering with private industry to develop commercial linkages with producers and promote processing into higher-value finished products (higher quality olive oil).

The Catalyst Fund provides a 50% subsidy to new olive crushing units constructed and equipped by second order organizations (a cooperative of cooperatives). The design of this activity is based on another 10% subsidy from the Agricultural Development Fund, a 30% bank loan from the *Credit Agricole du Maroc* (CAM) and 10% contribution from beneficiaries.

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<sup>3</sup> The Catalyst Fund Activity was added in 2011 with funds made available from the Fez Medina Project. One of the sites targeted by the Fez Medina Activity was removed in 2010, prompting a re-scoping. As a result, \$21.7 million were released from the Fez Medina Project and reallocated to the Fruit Tree Productivity Project to catalyze additional private sector investments for downstream activities.

### 3.2.1.2 Economic analysis

#### 3.2.1.2.1 Initial analysis

The economic rationale of the Fruit Tree Productivity Project assumes increased farm incomes resulting from increased yields of existing trees, increased tree density, and a shift in cropping patterns from lower-value wheat to higher-value tree crops. The original economic analysis of the Fruit Tree Productivity Project was completed in 2007 during the Compact Development process and comprised five ERR models (economic rate of return). Their overall characteristics are presented in the Table below.

**Table 1:** Initial ERR analysis for fruit tree productivity project

ERR Models	Activity	ERR	Time Horizon	Benefit Streams
Rain-fed Expansion	A	19.3 %	25 years	<ul style="list-style-type: none"><li>• Higher yields per hectare of cultivated land</li><li>• More profitable cropping mix</li><li>• More hectares under cultivation</li></ul>
Rehabilitation (Intensification)	A	26.7 %	30 years	<ul style="list-style-type: none"><li>• Higher yield per hectare of cultivated land</li></ul>
Rain-fed Expansion and Rehabilitation	A	14.6 %	25 years	<ul style="list-style-type: none"><li>• Higher yields per hectare of cultivated land</li><li>• More profitable cropping mix</li><li>• More hectares under cultivation</li></ul>
Olive Tree Irrigation	B	17.3 %	25 years	<ul style="list-style-type: none"><li>• Increased water supply, especially during droughts, leading to increased farm productivity</li><li>• Technical training and assistance to enhance water management and cultivation skills leading to increased productivity</li></ul>
Date Tree Irrigation	C	18.7 %	25 years	<ul style="list-style-type: none"><li>• Higher farmer net revenue per hectare from higher yields per hectare of cultivated land</li></ul>

The Project was re-scoped in 2010 when it became clear that the costs of works contracts were much higher than planned budget, particularly for the expansion of olive tree plantings in rain fed areas. It was decided to prioritize and maintain the project objectives in terms of irrigation works and partially reduce the objectives of fruit tree expansion and rain fed areas. The area to be planted was thus reduced from 120,000 Hectares to 80,000 Ha, of which 62,000 Ha would be funded by MCC and 18,000 Ha would be funded by the Moroccan Government, albeit with feasibility studies and supervision done through Compact-funded contracts. The number of hectares to be rehabilitated in PMH and oasis areas remained unchanged.

The economic analysis was revisited as part of the re-scoping process and new ERRs were calculated. In spite of the cost increase for the expansion and irrigation works, the ERRs remained above the hurdle rate.

Because the structure and aggregation of the re-scoped models are different from the original ones, a strict comparison of the ERR results after the re-scoping is not entirely appropriate. The main drivers of the models are the same, but the way the models are populated and the value of the parameters have changed sufficiently that the difference in the ERR values cannot be solely attributed to the change in the investment costs. To isolate the impact of the cost increase on the rate of return of the various activities, the ERRs were calculated in the revised models but using the original cost per hectare (the total cost of the project remained unchanged through the re-scoping). The summary table below shows the original and revised ERRs, as well as the value of the ERR in the updated model using the original costs. The difference between column 6 and 7 can be broadly attributed to the change in costs that prompted the re-scoping.

**Table 2:** ERR analysis for fruit tree productivity project after rescoping

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Original ERRs <sup>4</sup>	Original Avg. Cost/Ha	Actual Avg. Cost/Ha	% Change In Avg. Cost/Ha	Re-scoped ERR With Updated Costs	Re-scoped ERR With Original Costs
Rain-fed Expansion	19.3%	\$1,143	\$1,770	54.9%	10.4%	13.1%
Date Tree Irrigation	18.7%	\$1,348	\$1,462	8.5%	21.6%	22.4%
Olive Tree Irrigation	17.3%	\$1,645	\$1,668	1.4%	17.5%	17.6%
Rehabilitation <sup>5</sup>	26.7%	--	--	--	--	--

<sup>4</sup> The original ERRs calculated in 2006 used a 25 year horizon except for the rehabilitation, which used a 30-year horizon. All re-scoped ERRs use a 20-year horizon as recommended by MCC current guidelines.

<sup>5</sup> The rehabilitation component was not affected by the re-scoping as actual costs remained in line with estimated budget and the ERR was not recalculated.

### 3.2.1.2.2 Beneficiary analysis

The Fruit Tree Productivity Project affects three agro-ecological zones: rain-fed areas located on slopes; irrigated piedmont areas; and oasis areas. The number of farm beneficiaries by zone is estimated as follows:

**Table 3:** Number of beneficiaries of the fruit tree productivity project

Zone and Type of Intervention	Area in Ha		Number Beneficiary households
	Expansion	Rehabilitation	
Zone of Rain-Fed production	62,000	55,000	66,200
<i>Rehabilitation interventions</i>	-	28,000	11,400
<i>Expansion and Rehabilitation interventions</i>	39,000	27,000	38,700
<i>Expansion interventions only</i>	23,000	-	16,100
Zones of irrigated olive production (PMH)	34,000		27,600
Zones of irrigated date production (oasis)	19,400		16,500
TOTAL	170,400		110,300

The total number of farm beneficiaries is thus estimated at 110,300. Using the average household size in Morocco of 5.04<sup>6</sup>, the Project is estimated to benefit a total of 555,912 people.

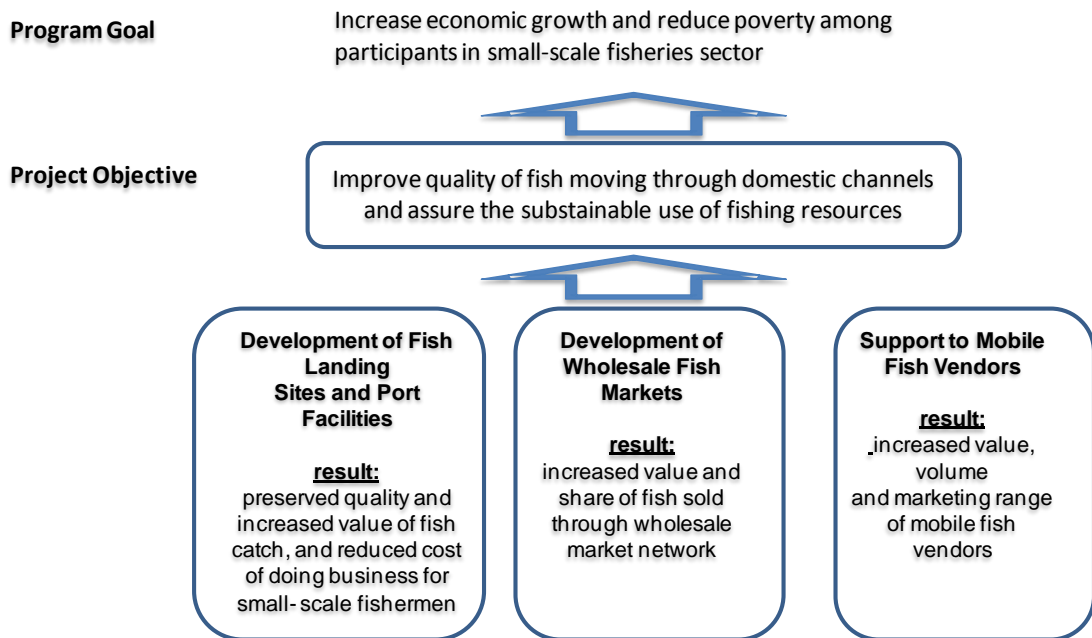
### 3.2.2 Small Scale fisheries project (\$125.2 million<sup>7</sup>)

#### 3.2.2.1 Logic and Structure of the Project

The objective of the Small Scale Fisheries Project is to improve the quality of fish moving through domestic channels and assure the sustainable use of fishing resources. The investment seeks to modernize the conditions for landing, storing, and marketing fish, thereby improving the quality of the catch, maintaining the value chain, and increasing fishers' access to both local and export markets. The program logic is as follows.

<sup>6</sup> Recensement général de la population et de l'habitat, 2004 : Caractéristiques démographiques et socio-économiques de la population, Haut Commissariat au Plan.

<sup>7</sup> The initial budget for this Project was \$116.2m.



The Project has three activities.

- A. *Development of Fish Landing Sites and Port Facilities Activity.* While Morocco possesses a number of modern fishing ports with adequate infrastructure, these are mostly dedicated to the more modern, larger-scale high seas and coastal fleets. The smaller-scale fleet, dispersed along existing fishing grounds, has been marginalized and lacks adequate landing site infrastructure to commercialize its products at their full value. This activity is responsible for constructing fish landing sites (called PDAs) along both the Mediterranean and Atlantic coasts, and to construct or upgrade port facilities in major existing ports for the benefit of small-scale fishers. The interventions include (i) the construction of up to 20 landing sites equipped with essential services to fishermen and an auction hall where catches can be sold immediately at market prices; (ii) the improvement of up to 13 port facilities with appropriate infrastructure as well as an auction hall; (iii) technical and training assistance for fishers based at PDAs on the conservation of marine resources and management of Marine Protected Areas, improved techniques of hygiene and safety at sea, and business development skills. This component also includes a small grant program to implement on a pilot basis, interventions to promote women's activities in the value chain.
- B. *Development of Wholesale Fish Markets Activity.* Existing wholesale fish markets in Morocco are outdated and poorly managed. They are neither customer nor tenant friendly and provide sub-standard sanitary conditions. Ownership of the markets lies with City Councils and their management is regulated by a 1962 law designating ex-freedom fighters as *mandataires*, offering these individuals and their descendants a *de facto* monopoly over the market. Due to the relatively large long-term investment (30 years), the markets do not attract private investors. This activity is concerned with the building or re-building of modern wholesale

markets in selected cities along with the technical and training assistance required to ensure proper management. The interventions include (i) the construction of up to six wholesale fish markets in major cities, mainly located in the interior of the country (Marrakech, Meknes, Taza, Tetouan, Beni-Mellal, and Rabat); (ii) technical and training assistance to the *Office National des Pêches* or ONP (national bureau for fisheries) staff, market managers and personnel of the wholesale markets, and private sector users in topics such as management, hygiene, and sanitation.

- C. Support to Mobile Fish Vendors Activity. According to ONP, there are 5,000 mobile fish vendors serving principally poor urban populations. Some have small motorcycles or three-wheeled bikes, while others operate with donkey-drawn or hand-pulled carts. Typically, the fish are stored in non-insulated boxes or cupboards, often without ice, hence fish quality and value decline rapidly. To improve the productivity of the fish vendor sector, this activity includes the following interventions: (i) financing 30% of mobile fish vending equipment cost for modern, heavy-duty, 3-wheeled motorbikes equipped with insulated ice chests for up to 2,000 fish vendors. The remaining investment will be provided by the fish vendors themselves and private sector credit; (ii) technical and training assistance to those fish vendors in fish regulations, proper hygiene, product handling, quality preservation, small business management, formation of associations/cooperatives of fish vendors, and access to financial services.

### 3.2.2.2 Economic Analysis of the artisan fishery project

The objective of the Project is to improve the quality of fish moving through domestic channels and assure the sustainable use of fishing resources. At the time of Compact-signing, the ERRs for the different activities of this project were as follows, demonstrating that all four activities were economically profitable.

**Table 4:** ERR analysis of artisan fishery project

Small Scale Fisheries :	
Construction of PDAs	28.6% (20years)
Provision of infrastructure for small-scale fishing	83.5% (20 years)
Construction of wholesale markets	43% (20 years)
Support for mobile fish vendors	32.2% (10 years)

As implementation progressed and feasibility studies were released, a number of sites had to be dropped for technical reasons, bringing the number of PDAs to 11 (from 20) and the number of ports also to 11, from the 13 originally targeted. Works cost have come higher than budget also, particularly for the wholesale markets. The ERRs shall be updated before the end of the Compact.

### **3.2.2.2.1 Beneficiary Analysis**

The beneficiaries of the Small-scale Fisheries Project are located along the coastal artisanal fishing network. Direct beneficiaries fall into two main categories: small scale fishermen (professional fishermen working on small boats) and mobile fish-vendors. The total number of beneficiaries has been projected to be 24,000 individual fishers and fish vendors. Taking into account the average size of a household, at 5.04 persons, the total number of beneficiaries comes to nearly 120,500 persons. These figures need to be re-estimated, however, along with the ERR, prior to Compact-closing when the final figures on the number of actual sites completed become available. There undoubtedly will be a reduction in beneficiaries.

#### **– Small scale fishermen at PDAs and ports**

The project targets all small scale fishermen operating in 11 PDAs proposed for development, a population of 7,432<sup>8</sup> fishermen. Furthermore, at 11 ports, some 15,000 fishermen would benefit from the new infrastructure supporting small scale fishing. Thus the total number of household beneficiaries would be 37,300 at PDAs and 75,300 at ports. These figures need to be recalculated, however, along with the ERR prior to Compact-closing when the final figures on the number of actual sites completed become available. There undoubtedly will be a reduction in beneficiaries.

#### **– Mobile fish vendors**

While 2,000 mobile fish vendors were originally targeted, it now appears more likely that only 1300 will be able to benefit from the project. In that case, the total number of beneficiaries will be an estimated 5,020.

Through this activity, 4 pilot projects for help integrate women in the artisan fishery sector will be funded. The number of beneficiaries is not known at this stage but is likely to be in the range of 400 women.

### **3.2.3 Artisan and Fez Medina Project (\$ 94.3 million<sup>9</sup>)**

#### **3.2.3.1 Logic and Structure of the Project**

The Artisan and Fez Medina Project seeks to stimulate economic growth by improving linkages between handicrafts, tourism and the rich cultural, historic and architectural patrimony of the Fez Medina. To encourage tourism, the project supports the restoration of historic sites in the Medina of Fez and an international architectural design competition for Place Lalla Yeddouna, an important site in the Medina. The Project also fosters better quality artisanal products by supporting improved production and management techniques, as well as providing a subsidy for the purchase of less polluting gas kilns for potters. Finally, artisans in Fez and Marrakech in

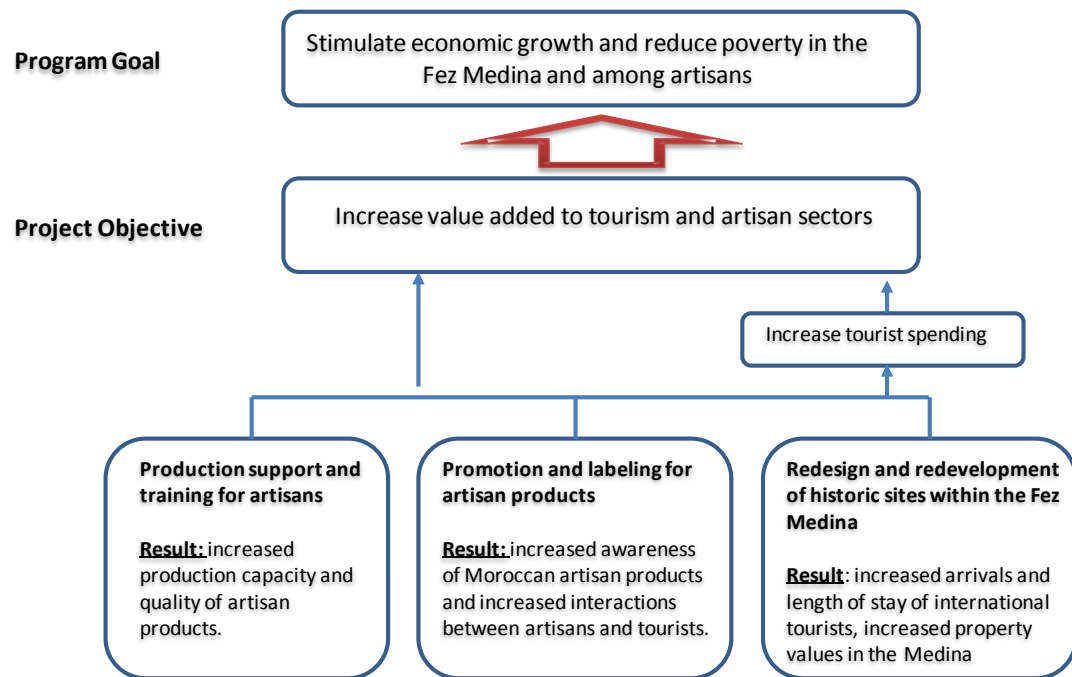
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<sup>8</sup> This number of beneficiaries is calculated on the basis of the number of boats in the 11 PDA that remain in the project and an average number of 3 fishermen per boat.

<sup>9</sup> The original budget for this Project was \$105.7m, but was reduced following a de-scoping of the Fez Medina activity with the removal of the Makina site in 2010.



particular will benefit from promotion activities both in the domestic and international markets. One of the Activity of the Project, the Functional Literacy and Vocational Training Activity, has a distinct program logic and is discussed in a separate section below.



The Project has four Activities including the Functional Literacy and Vocational Training Activity, which is discussed separately below.

A. *Artisan Production Activity.* This Activity provides assistance to potters in Fez and Marrakech to meet growing demand for high quality Moroccan pottery by investing in modern techniques and equipment, including cleaner burning kilns to replace traditional, high polluting, wood burning kiln. The interventions include: (i) a technology transfer package that includes demonstrations of modern kilns and training in modern production techniques, design, marketing and business management; (ii) a subsidy of 30% for the purchase of large kilns (less than 2 m<sup>3</sup>) and 40% for small kilns (1 to 2 m<sup>3</sup>); (iii) technical assistance for potters to facilitate access to financial services from local banks and microcredit associations.

B. *Artisan Promotion Activity.* This Activity includes the following interventions: (i) marketing campaigns to highlight artisans and their crafts within the Medinas of Fez and Marrakech, both at national and international levels; (ii) the creation and updating of tourist circuits in Fez and

Marrakech; and (iii) the creation and promotion of a label to clearly distinguish genuine Moroccan crafts from foreign imitations.

C. *Fez Medina*. The Fez Medina Project Activity includes the rehabilitation or construction of some key historical and touristic sites in the Medina of Fez. It includes the following interventions: (i) the design and reconstruction of Place Lalla Ydouna (PLY) and three 14th- and 15th-century fondouks (large, multi-story structures surrounding a central courtyard); (ii) an international design competition for the PLY reconstruction and re-design to better serve local residents and attract visitors to Fez; and (iii) the development of a production zone at Ain Nokbi for the resettlement of copperware workers affected by the rehabilitation of PLY

This Activity originally included another large and multifunctional site, called the Makina. In January 2010, the Government of Morocco requested that this site be removed from the Compact, prompting a de-scoping of the Project.

### **3.2.3.2 Economic Analysis of the Artisan and Fez Medina Project**

The initial Artisan and Fez Medina Project ERR was an estimated 21.2 percent. The Fez Medina Activity was re-scoped in 2010, however, which removed the Makina Activity from the Project. The economic analysis confirmed that the Fez Medina Project was still economically viable with a Project ERR estimated to be 11 percent.

While tourism growth increased over the past two years as the global economy recovered, it is considerably below the nine percent annual rate originally assumed in the model. The sensitivity of these results to external economic conditions, as well as the current pessimistic outlook for economic growth in Europe, suggests that worldwide economic volatility will play a continuing role in determining the impact of these investments.

In late 2011, the ERR for the Fez Medina again needed to be revised to take into account the effect of changes in project completion dates and proposed budgets. At that time, it was discovered that the space available for artisans and other commercial activities, a key model assumption, was more than twice as great as originally planned, substantially increasing the PLY benefits. The new data about space availability were drawn from the feasibility study presented by the winner of the international PLY design competition. This increased the ERR for the Fez Medina and Artisan Promotions activities to 14.8 percent. (However, the new ERR estimate was not formally reviewed by MCC, as no-re-scoping was necessary.) A final ERR will be calculated prior to Compact close-out, with a close eye to agreements with the Government of Morocco concerning Project completion.

The ERR for Artisan Production still needs to be revised as the original assumptions are no longer relevant to the actual artisan receiving assistance.

### **3.2.3.2.1 Beneficiary Analysis of the Artisan and Fez Medina Project**

#### **i. Artisan production**

This activity is expected help potters at pottery sites in the Fez region and in Marrakech. The project trained 2,332<sup>10</sup> workers and master artisans in pottery. In addition, it will subsidize of the cost of cleaner kilns for as many as 144 artisans. On a household basis, this comes to nearly 12,000 beneficiaries.

#### **ii. Fez Medina and the promotion of handicrafts**

Estimates suggest that some 20,000 low-income workers may be immediate beneficiaries in the Fez Medina, or 100,400 beneficiaries on a household basis. These figures need to be recalculated, however, prior to Compact-closing when final information on the number of actual sites completed becomes available.

### **3.2.4 Functional Literacy and Vocational Training Activity (Artisan and Fez Medina Project)<sup>11</sup>**

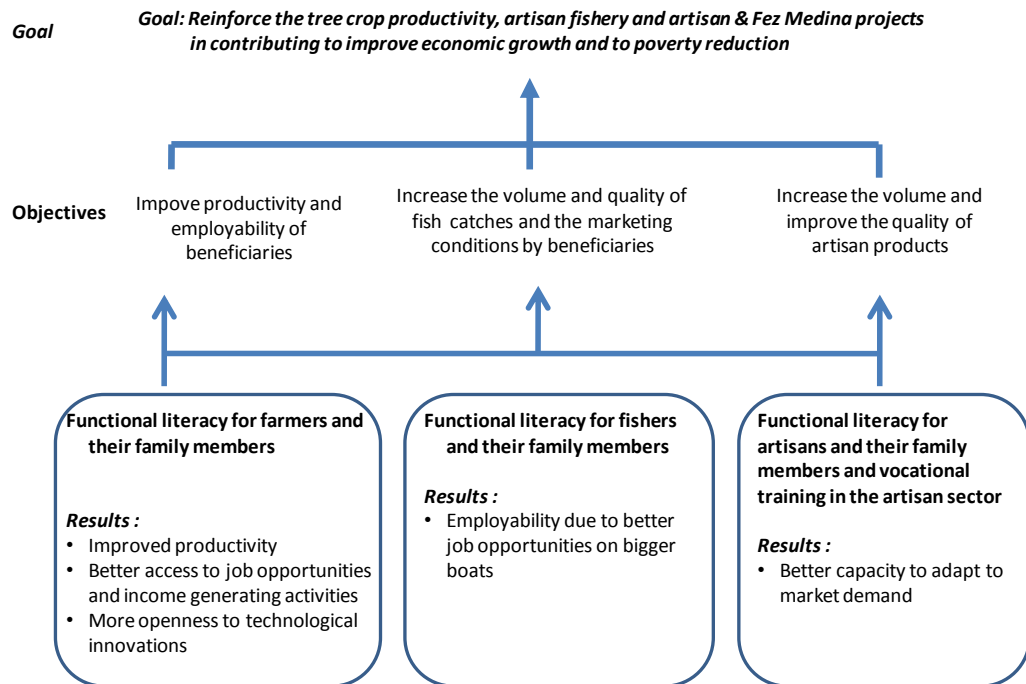
#### **3.2.4.1 Logic and Structure of the Activity**

Over two-thirds of Moroccans, especially women and girls, lack the literacy skills or adequate formal education necessary to enroll in vocational-technical training institutes. For those who are able to enroll, the poor quality of instruction offers few prospects for well-paid employment, despite an expanding job market and high demand for trained technicians. The ultimate goal of this Activity is to improve the revenues of artisans, fishers, and farmers, many of them targeted by other interventions of the Compact, through the reinforcement of their basic skills and professional qualifications. The logic of these interventions is summarized below.

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<sup>10</sup> The consultant of contract AFM1 has identified 2267 handicraft workers for training.

<sup>11</sup> The budget for this Activity is \$32.8m.



The Activity has three sub-Activities.

- Functional Literacy.** This sub-Activity seeks to provide functional literacy to adults in the artisan, agriculture, and small scale fishery sectors and to introduce additional practical and employable skills into the literacy curriculum.
- Vocational Training.** This sub-Activity is implemented in cooperation with the Ministry of Artisan Affairs (MA) and targets artisans in the traditional handicraft sector. It is putting in place a standardized training system following a Competency Based Approach. Through in-service training, practicing artisans are offered continuing education training to bolster their artistic expertise and entrepreneurial skills, while youths are offered training-in-residence and apprenticeship programs to develop their manual skills and their entrepreneurial know-how.
- Competitive Skills Development Program.** This sub-Activity is complementary to the two others and offers grants to private sector or the civil society entities that propose innovative initiatives supporting the existing functional literacy or vocational training system by making them more attractive and accessible to socially or geographically marginalized groups within the beneficiary populations.

### 3.2.4.2 Economic Analysis of the Literacy and Vocational Training Activity

An economic analysis was prepared during the re-scoping of the Artisan and Fez Medina project in 2009, which effectively produced a fully developed Activity from a skeleton outlined in the Compact. The ERR analysis was never approved by MCC, however, and the Activity proceeded without it. By Close-out, MCC will review and re-estimate the economic analysis, for each of the sub-activities, as quantitatively feasible.

### **3.2.4.2.1 Beneficiary Analysis of the Literacy and Vocational Training Activity**

#### **i. Beneficiaries of Functional Literacy**

- 30,000 artisans will receive literacy training leading to up to 150,600 beneficiaries on a household basis if literacy proficiency is achieved by all trainees and incomes are raised.
- 20,000 beneficiaries in the small-scale fishing sector leading to up to 100,400 beneficiaries on a household basis if literacy proficiency is achieved by all trainees and future incomes are raised. Through functional literacy training, small-scale fishers will become eligible for employment on coastal fishing boats and will be able to acquire additional vocational qualifications and skills. These new opportunities are hypothesized to translate into increased fish catches and increased incomes.
- 19,000 beneficiaries in the agricultural sector, including 3,100 farmers, 5,300 rural women, and 10,600 farmers' sons and daughters working in agriculture. This training could assist nearly 95,400 beneficiaries on a household basis if literacy proficiency is achieved by all trainees and incomes are raised. This may be overestimate beneficiaries, however if multiple family members receive training. Offering families training, in addition to the farmers themselves, is expected to increase the professional qualifications of various age and gender groups active within this sector that will increase their incomes and allow them to take advantage of better job opportunities – including those outside the agricultural sector – to stabilize their income throughout the year.

#### **ii. Beneficiaries of Vocational Training**

This sub-Activity will target the following populations within the five priority crafts:

- 2,600 youths through two-year initial training in residence (pre-service) -- the maximum capacity of the 15 training centers in the five fields of training);
- 6,100 youths through initial training by apprenticeship of one to two years (depending on the field of training);
- 15,000 practicing artisans through continuing education (short-term seminars).

Based on the hypothesis that those benefiting from residential training and apprenticeships are primarily young artisans without families, the beneficiary population is potentially 8,700 if the programs are completed and lead to further employment opportunities. Short-term training could impact 75,300 beneficiaries on a household basis, depending on the gains from training.

### **iii. Competitive Skills Development Program:**

The third sub-Activity supports the previous two components through innovative initiatives to be proposed by external entities – whether from the private sector, civil society, or even the public sector. These projects are financed by a competitive grants system that aim to support the Functional Literacy and Vocational Training systems by making them more attractive and accessible to socially or geographically marginalized groups within the beneficiary populations.

APP will implement this activity in close cooperation with several partners: the three relevant government departments, UNESCO, the Department for combating Illiteracy, civil society, etc.

The Ministry of Agriculture and Maritime Fisheries and the Ministry of Artisanat are the Implementing Entities for this Activity, and are responsible for its successful implementation.

Thirty projects were selected to be funded by this sub-activity's grant. These projects will take from 3 to 18 months to be implemented and will benefit to 9182 beneficiaries. The break down by sector is as follow:

**Table 5:** Number of beneficiaries of the competitive skills activity

<b>Sector</b>	<b>Number of projects</b>	<b>Number of beneficiaries forecasted</b>
Artisan sector	14	4,359
Agricultural sector	7	3,360
Fishery sector	9	1,463
<b>Total</b>	<b>30</b>	<b>9,182</b>

As of early May 2012, the number of beneficiaries enrolled is 5091 and the enrollment rate of 55%.

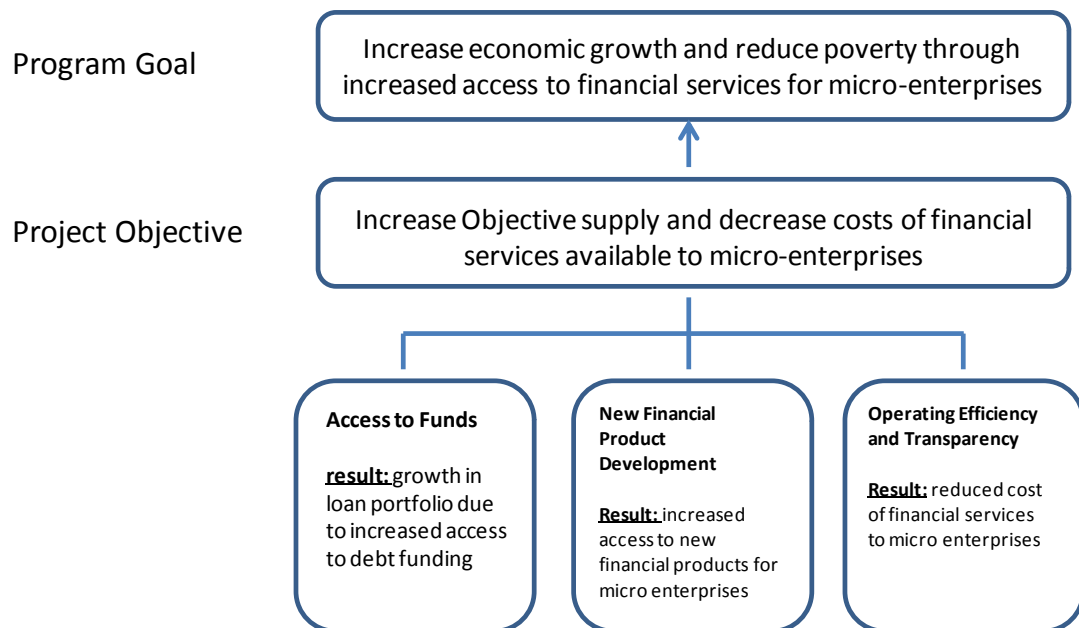
Among the 9,182 beneficiaries, approximately 1,948 benefit already from the other activities of literacy and vocational training.

### **3.2.5 Financial Services Project (\$43.7 million)**

#### **3.2.5.1 Logic and Structure of the Financial Services Project**

The goal of this project is to improve the financial services available to Moroccan micro-enterprises by improving market stability and overcoming constraints inhibiting the expansion of the microfinance sector. The Compact provides funds in the form of a subordinated debt to Jaida, a non-bank financial institution started in April 2007 to lend to the micro-credit sector. In addition, the legal framework underlying micro-credit associations is being reviewed to determine their potential to accept savings and offer additional financial services. Finally, the project

provides support to improve the efficiency and transparency of the microfinance sector, reducing the costs and improving the quality of micro-enterprise loans in the long term.



There are three Activities under this Project.

- A. Access to Funds for Microfinance. This Activity includes a subordinated debt of \$25 million to Jaïda, a non-bank financial institution started in April 2007 to lend to the micro-credit sector. The subordinated debt is used to allocate funds to microcredit associations according to market conditions and general policies of credit risk and eligibility criteria. This Activity also provides training to loan officers on environmental and social aspects.
- B. New Financial Product Development. This Activity supports an analysis of the regulatory and operational conditions for the institutional transformation of microcredit associations (AMCs) and technical assistance to these microcredit associations to expand their scope (transformation).
- C. Improvement of Operating Efficiency and Transparency. This Activity offers financial support to AMCs to acquire mobile branches that provide microcredit in remote areas. This Activity also provides assistance to AMCs through a Technology Facility, helps smaller AMCs implement management information systems which will allow them to link with the Central Bank's credit information bureau, and manages a "Rating Fund" to finance financial and social ratings for AMCs.

### 3.2.5.2 Economic analysis

The initial ERR for this project was 18 percent. This incorporated an assumption that the Compact would support increased lending, leading to economic growth. However, the post-Compact decline in the entire micro-credit finance sector made this modeling moot. Micro-credit finance also suffered similar declines in a number of other countries (Bosnia, Nicaragua, Pakistan, and

India) at essentially the same time. While these failures took place concurrent with the worldwide recession, they were apparently more closely related to sectoral issues, such as multiple micro-credit agencies extending credit to support the same micro-entrepreneur. The Close-out strategy calls for a recalculation of the ERR model for the Financial Services Project.

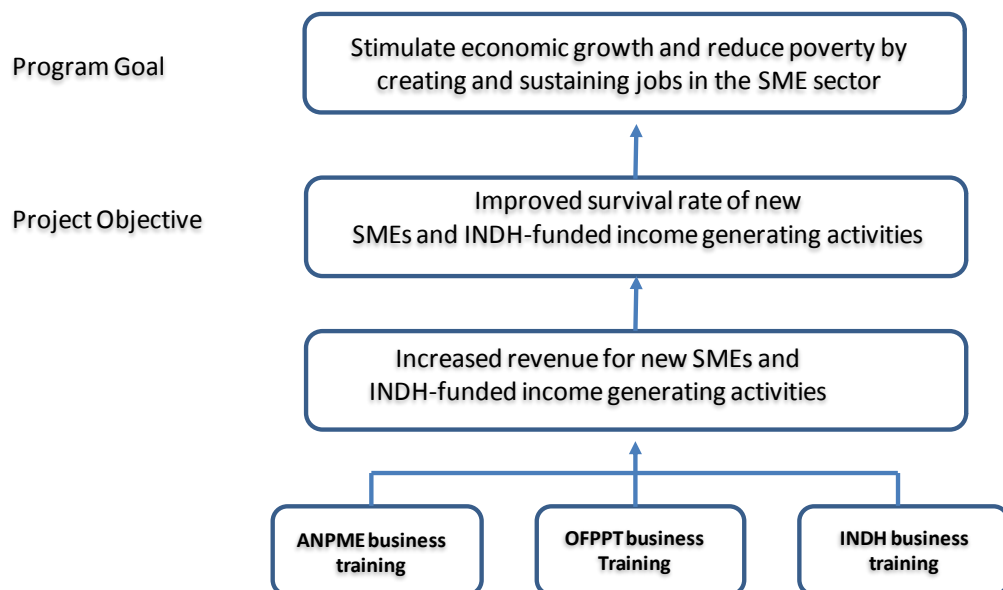
### 3.2.5.2.1 Beneficiary analysis

The beneficiaries of the Financial Services Project were to be clients (small borrowers such as individuals or micro-enterprises) of microcredit associations operating in Morocco. The intended impact of the Project was to increase the supply of financial services for these clients. When the Compact was designed, the microcredit sector served approximately 1.3 million clients. But, the number of client has decreasing to fewer than 800,000 clients in 2011. To take into consideration this trend, the baseline, as well as the Compact targets, is being reviewed.

## 3.2.6 Enterprise Support Project (\$26.8 million)

### 3.2.6.1 Logic and Structure of the Enterprise Support Project

The Enterprise Support project has two priorities: to reduce high unemployment among young graduates and to encourage an entrepreneurial culture. The project focuses on entrepreneurs in two government programs: the first is the Moukawalati program offered by the OFPPT<sup>12</sup> and ANPME<sup>13</sup>, the second is the National Initiative for Human Development (INDH). The program logic of this Project is summarized below.



<sup>12</sup> Office de la Formation Professionnelle et de la Promotion du Travail (Office for Professional Training and Promotion of Employment)

<sup>13</sup> Agence Nationale de la Promotion de la Petite et Moyenne Entreprise (National Agency for the Promotion of Small and Medium Enterprises)



The Project has three Activities. Activity A “ANPME Training” and Activity B “OFPPT Training” target the same population of Moukawalati enterprises, while Activity C “INDH Training” targets the AGR entities. The Project is better described in terms of the type of enterprises that the interventions target than broken down by its Activities.

Moukawalati (which translates as “My Small Business”) is a national program intended to increase the competitiveness of Morocco’s businesses in the global economy and reduce youth unemployment, particularly among new graduates. The Moukawalati program operates through 76 offices (*guichets*) nationwide providing information and assisting entrepreneurs at the initial stages of their operation. The assistance offered by these offices follows a prescribed method of evaluating business skills, supporting the development of business plan and loan application. The Moukawalati program may offer some financial support to the entrepreneur during the initial startup phase and provide for a partial guarantee of the bank loan. The Moukawalati assistance is completed once the young entrepreneurs get the approval of their bank loans to start their businesses. Moukawalati enterprises tend to be concentrated in and around urban areas. The Activities “ANPME Training” and “OFPPT Training” target Moukawalati enterprises by offering additional business-skills training once the entrepreneur has satisfied all registration requirements and the enterprise has begun operations. The project provides training, coaching, technical assistance and networking to young entrepreneurs.

The National Initiative for Human Development (INDH) is a multi-year government initiative aimed at creating opportunities for the poor, the vulnerable, and the socially excluded. INDH expects to strengthen the accountability of municipalities to support disadvantaged groups, while promoting new strategies for rural and urban development. INDH groups are referred to as AGR, for *Activites Generatives de Revenus*, and tend to be rural and engaged in the agricultural sector.

The Activity “INDH Training” targets AGR by providing them with additional assistance in the form of training and coaching. Typically, participants in this Activity are less-educated than those of the Moukawalati program and will be members of associations.

The Enterprise Support Project was structured in two phases in the Compact, with a two-year pilot period, during which 400 entrepreneurs from the Moukawalati program and 200 AGRs from the INDH program would receive training and technical assistance. This pilot phase was to be subject to a rigorous impact evaluation using a randomized design to test whether the proposed technical support to be provided to the enterprises in the post-creation phase would be effective. This would determine whether or not to expand project activities to a larger number of entrepreneurs.

The impact evaluation of the pilot phase was planned in the Compact as there was insufficient empirical evidence on the success of post-creation business training. In particular, the extent to which training would increase revenues and augment survival rates of new enterprises was uncertain, and, as a consequence, whether the benefits would exceed the costs of the program.

According to this design, 400 entrepreneurs were randomly selected among a population of 1000 beneficiaries from the Moukawalati program provided by the implementing entities, among which, some entrepreneurs were reluctant to participate in the project. Two random sampling operations were necessary to reach a total of 388 enterprises willing to participate in the Project and in the impact evaluation requiring several rounds of interviews.

Another 200 AGRs were selected randomly from a population of 600 AGRs created through the National Initiative of Human Development (INDH) and provided by the corresponding implementing entity which is the National Coordination of the INDH. No refusal was encountered from the AGRs. The impact of the interventions is evaluated separately for enterprises and AGRs.

A baseline and three follow up surveys were implemented in a period of two years, with the last round of follow-up survey done in December 2011. The pilot phase interventions were also completed in December 2011. The various rounds of data collection have not shown yet a significant difference between the treatment and control groups, although the last round is showing positive trends. A recent study by the World Bank, looking at evidence of the impact of business development services in different Latin American countries, shows that several years are usually necessary to see demonstrable progress on key indicators such as survival rates or business income. The results obtained so far from the impact evaluation would be coherent with the conclusions of the WB study. A longer period following the assistance provided by the project could show a significant difference between the treatment and control groups in terms of key indicators of business success.

### **3.2.6.2 Economic Analysis of the Enterprise Support Project**

The initial economic analysis for the project estimated the ERR at 13.5 percent. The model was not regarded as conclusive evidence of the project's expected economic impact, however, as its key assumptions on revenue growth and firm survival were essentially 'guesstimates'. Further, outside studies proved skeptical with regard to the impact of SME training on revenue growth. Consequently, the Compact specified that the Project be implemented with a pilot phase subject to an impact evaluation based on experimental design. The Compact linked the decision for Project expansion to the results of the evaluation.

In May 2012, the ERR model was improved and expanded by MCC, with initial input from the APP, updating costs and assumptions about baseline revenue from the impact-evaluation surveys. Nonetheless, assumptions about value-added growth and firm survival rates, which formed the crux of the decision-making process, remained 'guesstimates'. Thus, the revised model provided no firmer evidence for the expansion of the Project than the original model.

The updated base-case ERR (including the expansion phase) was 1.21 percent, well below the MCC hurdle-rate. A 'sunk cost' ERR, in which only the expansion phase was considered, reached 7.21 percent. Even this ERR, however, is well below the 15 percent rate specified in the Compact as the condition to proceed with the Project. .

### **3.2.6.2.1 Beneficiary Analysis of the Enterprise Support Project**

During the pilot phase, about 600 enterprises are receiving training and technical assistance. Some 400 very small enterprises started under the Moukawalati program (OFPPT and ANPME) benefited from the project and 200 groups operating in Income Generating Activities (AGR) created by the INDH. On a household basis, there will be somewhat over 3,000 beneficiaries should the training increase enterprise revenue and firm survival rates in the longer run.

## **4 MONITORING**

The M&E Plan includes a monitoring component to measure Program results based on objective, verifiable indicators related to the logical framework for each of the projects. These indicators are associated with the project goals, outcomes, outputs, and process. Each indicator is associated with a baseline, annual target values, and an end of Compact target. Some indicators are reported only once or twice and may not have annual targets, but only an end of Compact target.

Monitoring indicators track performance during the life of the Compact and ensure that objectives and expected economic gains will be achieved through implementation to meet the Program goals.

M&E indicators for each of the projects are developed in concert with the APP Project teams and implementing entities and with input from MCC project experts. The M&E Plan is revised periodically to take into account new development in implementation including project re-scoping, new dataset, and the realignment of indicators and/or targets.

### **4.1 Indicators**

Results of the Compact will be measured over the five years of the program using performance indicators. Annexes I and II present the short-, medium- and long-term indicators for the five Compact projects, including baseline and target values. Annex I presents the indicators, their definition, their nature (cumulative or incremental level), the unit of measure, data source or provider of data, and frequency of measurement for each indicator. Annex II reports the baseline and annual target values for each indicator over the duration of the Compact. The indicators and target values conform where appropriate to the economic analysis for the project.

Common indicators have been introduced to meet the requirements of the MCC Policy for Monitoring and Evaluation of Compacts and Threshold Programs<sup>14</sup>. Common indicators are used by MCC to measure progress across Compacts within certain sectors. They allow MCC to aggregate results across countries and report externally to key stakeholders. MCC has currently common indicators for interventions in the sectors of agriculture and irrigation, education, land,

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<sup>14</sup> See <http://www.mcc.gov/mcc/bm.doc/policy-051209-mande.pdf>

roads, and water and sanitation. Of those, only agriculture and irrigation and education are relevant to the Morocco Compact. . Those indicators are included in the logical matrixes for the Fruit Tree Productivity Project and the Functional Literacy and Vocational Training Activity.

***i. Baselines and targets***

Each indicator is associated with a baseline value and a series of annual and end-of-Compact targets. Baseline values for outcomes and goals are based on statistically valid values established through contracted surveys. Targets are drawn from economic analysis and project work plans.

Few baseline values for some specific activities are based on documented studies undertaken by the implementing entities. When relevant, indicators are desegregated by gender.

***ii. Data Sources***

Where appropriate, baseline and target values of indicators are extracted from the ERR models, either from the original or updated analysis where a re-scoping occurred. In the case of indicators not directly included in the economic analysis, baseline values are derived from the analysis of available data or on expert advice. Sources of data may be official statistics, specific surveys, or Project work plans.

***iii. Frequency of Data Collection***

The frequency of reporting is indicated in Annex I for each indicator. Data collection frequency depends on the indicator to be measured. Goals are often measured only at the beginning (baseline) and end of the Compact. Other indicators, such as those tied to agricultural activities, or those produced by other organisms such as the Ministry of Tourism or the National Federation of Microcredit Associations, may be measured annually or semi-annually. But to the extent possible indicators are reported quarterly albeit with annual targets.

***iv. Gender Assessment***

Wherever pertinent, data will be collected to allow for disaggregation by gender. “Pertinent” refers to instances in which gender differences in activity participation are foreseen, or when there is a reasonable expectation that such differences might prevail. In particular, all baseline surveys will include information on these variables, offering researchers the opportunity to conduct disaggregated analysis. In terms of reporting indicators, gender does not necessarily require *a priori* targets if it is not part of the project or activity’s logical framework analysis.

With respect to projects where women are the sole participants (e.g. the Pilot Projects), benefits accruing to women through the pilot projects may be assessed in terms of skills and income generated and economic profitability. Constraints to women's participation based on reporting indicators and to business viability and profitability related to the pilot projects are to be assessed further using quantitative and qualitative methods.

#### ***v. Monitoring and Evaluation Reports***

Quarterly monitoring reports are submitted to MCC through an Indicator Tracking Table (ITT). This monitoring table records the value of each indicator for the current period and its percentage deviation compared to its target value.

In addition, a narrative report is submitted with the ITT that includes an explanation of the deviation if it is greater than 10 percent. The ITT and the narrative report are parts of the disbursement request package and must be submitted to MCC four times a year.

The monitoring transmission schedule is:

<b>Collection Frequency</b>	<b>Collection Period</b>	<b>Submission to MCC</b>
Quarterly indicators		
Quarter-1	October 1 <sup>st</sup> to December 31 <sup>st</sup>	December 10 <sup>th</sup>
Quarter-2	January 1 <sup>st</sup> to March 31 <sup>th</sup>	March 10 <sup>th</sup>
Quarter-3	April 1 <sup>st</sup> to June 30 <sup>th</sup>	June 10 <sup>th</sup>
Quarter-4	July 1 <sup>st</sup> to September 30 <sup>th</sup>	September 10 <sup>th</sup>
Annual indicators	October 1 <sup>st</sup> to September 30 <sup>th</sup>	September 10 <sup>th</sup>

#### ***4.2 Data Quality Review***

To ensure objectivity and viability of data measuring program performance, the Department of Monitoring and Evaluation (DME) has developed a strategy to evaluate the quality of data used in the M&E Plan. This strategy defines the responsibilities of project teams and implementing entities for data collection and information management. As M&E teams in different implementing entities provide essential data, the DME needs to be assured that the data collection procedures are viable and result in reliable indicator.

Risk management to ensure good data quality requires that the responsibilities for the collection of data are clear and transparent and that the M&E indicators are in line with the monitoring systems of the various implementing entities responsible for different contracts. The DME implemented an M&E training program for the staff of the various implementing entities' M&E units to facilitate this objective. Workshops were organized for different M&E teams to discuss M&E reports and provide feedback on reports related to the Compact projects.

An in-depth data quality review (DQR) was conducted by an independent consulting firm. This study analyzed indicators and data collection methods for each project. The assessment was based on criteria of validity, precision, viability and utility to determine data quality and arrive at practical recommendations to improve deficient data collection procedures. The reviewers met with each project team, including M&E officers and contractors in charge of implementing surveys or providing reporting data. The review was implemented in two phases: the first phase took place in compact year 3 and the second was completed in compact year 4. A final workshop was held at the end of each phase to present the results of this review to all stakeholders and to collect their feedback on the findings.

As recommended by the phase I report of the DQR, guidelines for designing procedure manuals were developed for each project to clarify roles and responsibilities for M&E units, DME at APP and other data providers. These manuals also formalize the information flow from the field to the DME.

## **5 EVALUATION COMPONENT**

Evaluations provide a retrospective analysis of the results attained *vis a vis* expected results and assess whether these results are attributable to project interventions. The M&E Plan anticipates two types of evaluations: performance evaluations and impact evaluations. All are or will be done by independent, qualified investigators selected through an open and competitive procurement process. Evaluations currently under way or planned are presented in the table below Project by Project.

### 5.1 Fruit Tree Productivity Project (\$328 m)

Activity	Key outcomes Key evaluation questions	Proposed methodology	Data collection plan	Calendar of analytical reports	Notes
<b>A. Rain-fed Olive, Almond, and Fig Tree Intensification and Expansion (\$141.4 m)</b>  <i>Rehabilitation Sub-Activity</i>	<ul style="list-style-type: none"> <li>• What is the impact of the activity on farmers' incomes?</li> <li>• Has olive output improved in quantity and value?</li> <li>• Have new techniques been adopted by farmers?</li> <li>• Has the quality of the olive oil produced increased?</li> <li>• Have farmers organizations played a role in the development of olive-oil value chain processing and marketing?</li> <li>• Has the information provided by the project been adopted by farmers outside the treatment perimeters?</li> </ul>	<p>Impact evaluation with randomized treatment and control perimeters</p> <p>Evaluator: <i>NORC</i></p>	<p>Baseline survey: 2010 Follow-up surveys: 2011 and 2012 End-line survey: planned 2013</p>	<p><b>Contractor: NORC</b></p> <p>–Baseline report: November 2010 –Follow up survey report 2011: June 2011 –Follow-up reports 2012: August 2012 –Final report : expected 2013</p>	<p>Although some impact should be felt in the last year of the Compact and be captured by the evaluation, an additional year of data in 2014 will be considered by MCC. Sustainability of results through the adoption of improved orchard techniques is a key objective.</p>

<b>A. Rain-fed Olive, Almond, and Fig Tree Intensification and Expansion (\$141.4 m)</b>  <i>Expansion Sub-Activity</i>	<ul style="list-style-type: none"> <li>• Farmers' income</li> <li>• Productivity of olive and almond trees</li> <li>• Rate of adoption of modern orchard techniques</li> </ul>	Pre-post measures of key expected outcomes	Baseline survey: 2010 End-line survey: post-Compact	Baseline report ( <i>Agriconsulting</i> ): December 2011	Trees take 7 years to reach full production <sup>15</sup> ; MCC plans on evaluating this activity starting in approximately 2015. The implementation schedule and delayed impact of the interventions were captured by the ERR model.
<b>B. Olive Tree Irrigation and Intensification (\$84.3 m)</b>	<ul style="list-style-type: none"> <li>• Farmers' income</li> <li>• Productivity of olive and almond trees</li> <li>• Rate of adoption of modern orchard techniques</li> <li>• Improved linkages with processing units</li> </ul>	Pre-post measures of key expected outcomes	Baseline survey: 2010 for Tranche 2 and 3 <sup>16</sup> End-line survey: planned 2013 for Tranche 1 perimeters Post-Compact for Tranche 2 and 3 perimeters	Baseline report( <i>Agriconsulting</i> ): December 2011 End-line report Tranche 1: expected 2013	The two irrigation activities (B. and C.) have similar implementation approach and timeline and the evaluations will be performed together albeit with distinct sample.
<b>C. Date Tree Irrigation and</b>	<ul style="list-style-type: none"> <li>• Farmers' income</li> <li>• Productivity of olive</li> </ul>	Pre-post measures of	Baseline survey: 2010	Baseline report ( <i>Agriconsulting</i> ):	

<sup>15</sup> The first 400 ha of planting were done in 2009; a little over 25,000 ha are expected to be planted at the end of year 4; a total of 60,372 ha are planned by the end of the Compact.

<sup>16</sup> Infrastructure work had already started in the perimeters of Tranche 1, thus a baseline was no longer possible. The baseline survey covered only perimeters scheduled for Tranche 2 and 3 where work had not yet started.



<b>Intensification (\$55.3 m)</b>	<ul style="list-style-type: none"> <li>and almond trees</li> <li>• Rate of adoption of modern orchard techniques</li> <li>• Improved linkages with processing units</li> </ul>	key expected outcomes	for Tranche 2 and 3 <sup>17</sup> End-line survey: planned 2013 for Tranche 1 perimeters Post-Compact for Tranche 2 and 3 perimeters	December 2011 End-line report Tranche 1: expected 2013	
<b>D. Fruit Tree Sector Services (\$20.7 m)</b>	Same as above				This activity provides the training and technical assistance in support to all other activities. The evaluations planned for the above activities will incorporate the interventions done under this Activity.
<b>E. Catalyst Fund (\$20.7 m)</b>	<ul style="list-style-type: none"> <li>• Value-added of the processing units</li> <li>• Quality of the olive oil produced</li> <li>• Financial sustainability of the processing units</li> </ul>	Performance evaluation not planned yet	No baseline		Baseline information could be obtained from the proposals due June 2012 (10-12 proposals expected). MCC to plan the evaluation

## 5.2 Small Scale Fishery Project (\$ 125.2 m)

<sup>17</sup> Infrastructure work had already started in the perimeters of Tranche 1, thus a baseline was no longer possible. The baseline survey covered only perimeters scheduled for Tranche 2 and 3 where work had not yet started.

Activity	Key outcomes Key evaluation questions	Proposed methodology	Data collection plan	Calendar of analytical reports	Notes
<b>A. Development of Fish Landing Sites and Port Facilities (\$75.2 m)</b>	Fishermen's net income Quality of the catch Price received by fishermen for their catch Sustainability of the resource	Pre-post	Baseline data: 2010 Follow-up surveys for PDAs: monthly/quarterly <sup>18</sup> End-line data: 2013 for 1 PDA and 1 Port	–Baseline report PDAs (INRH): September 2011 –Baseline report Ports (AGRER): December 2010 –End-line report expected Sept 2013 for 1 port and 1 PDA	1 port and 1 PDA are completed (May 2012) and could be meaningfully evaluated within the Compact time frame. The remaining sites will need to be evaluated post-compact.
<b>B. Development of Wholesale Fish Markets (\$42.2 m)</b>	–Fish consumption in urban areas –Quality of the fish transiting through the wholesale markets –Improved management of the markets <sup>19</sup>	Pre-post	Baseline survey: 2010 End-line survey: 2013 for 1 market	–Baseline report (Agrer): December 2010 –End-line report for 1 market expected 2013	First wholesale market to be inaugurated June 2012 and could be meaningfully evaluated during the Compact time frame. The remaining markets will be evaluated post-compact.
<b>C. Support to</b>	–Mobile fish vendors'	Comparative	Evaluation survey:	Evaluation report	Analysis done on 150

<sup>18</sup> The baseline data was collected by different entities for Ports and PDAs. An agreement between the Project and INRH (the national institute for research on marine resources) allow for extensive monitoring of the quantity, quality, and value of the catches in all the PDAs targeted by the project. An amendment to this agreement is under way to have a similar monitoring in the ports during the last year of the Compact as well as an end-line complete survey for 1 PDA and 1 port a year after completion.

<sup>19</sup> The ERR analysis for this Activity should be reviewed in the coming year and could identify other benefit streams. In the original project logic, the PDA and port benefit streams were linked to the activities of the wholesale markets located in urban areas. However, these linkages are not as strong as hypothesized in the original analysis because the species caught by small fishermen are not what is typically sold by wholesale markets.

<b>Mobile Fish Vendors (\$3.3 m)</b>	income –Quantity and quality of the fish sold by mobile fish vendors • Price received by mobile fish vendors	analysis with a comparison group	2012	(Edesat): June, 2012 (forthcoming)	mobile fish vendors that were equipped in 2010 and a group of 190 vendors who were not eligible because of their lack of financial credentials
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### 5.3 Artisan and Fez Medina Project (\$ 94.3 m)

Activity	Key outcomes Key evaluation questions	Proposed methodology	Data collection plan	Calendar of analytical reports	Notes
<b>A. Literacy and Vocational Education (\$32.8 m)</b> <i>i. Functional Literacy (\$22.8m)</i>	Beneficiaries' income (through increased value-added for self-employed or salary for employees)	Pre-post	Baseline survey: 2011	– Baseline report Agriculture <i>Fellah Conseil</i> : July 2011 – Fishers (AGRER): December 2010 – Artisans (Edesat): April 2011	Population targeted are farmers, fishers, artisans, some of them already targeted by other Projects. Some intermediate outcomes (adoption of newly acquired literacy and life skills) could be measured through a survey in Y5 on the first cohort who graduated in 2012, but income impact unlikely to be realized until after the end of the Compact. The team will also examine intermediate outcomes from the certification exam

					which reflect “productive” skill application potential.
<b>A. Literacy and Vocational Education (\$32.8 m)</b> <i>ii. Vocational Training (\$5.9 m)</i>	Beneficiaries’ income (through increased value-added for self-employed or salary for employees) Employability of young artisans	Performance evaluation	No baseline survey for recipients of residential or apprenticeship programs Baseline of recipients of continuing education: 2011 Survey of first cohort of residential and apprenticeship: 2013 (planned) Endline survey of continuing education recipient: 2013 (planned)	Baseline reports Cont. Ed (Edesat): April 2011	First cohort for residential and apprenticeship training will graduate in June 2012. The insertion rate of these graduates will be investigated in 2013. A meaningful evaluation of this Activity should be done post-Compact. However, end-of-Compact studies will focus on improvements in school governance and teacher performance, utilization of program inputs, and qualitative outcomes of the continuing education program.
<b>A. Literacy and Vocational Education (\$32.8 m)</b> <i>iii. Small Grants Program (\$3.25 m)</i>	Beneficiaries’ income (through increased value-added for self-employed or salary for employees)	No evaluation planned	No baseline		Grants to associations who propose innovative ways of providing literacy and vocational training. These small interventions target geographically and economically marginal populations. Outcomes from select programs will be described in the Results Report.
<b>B. Artisan Production (\$4.2 m)</b>	Increased value-added of potters	Pre-post	Baseline survey: 2011	Baseline report (Edesat): April	The evaluation will focus on the impact of training on

	Improved productivity and quality of production Improved workplace health and security		End-line: 2013 (planned)	2011 End-line report: 2013 (planned)	productivity and income; the impact of gas kilns will be also be evaluated for those who have adopted it
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<b>C. Fez Medina (\$42.3 m)</b>	Increased tourism revenues for the Fez Medina Increased sales revenues for artisan in the Fez Medina	No evaluation yet planned	No baseline		This Activity involves the renovation of major sites in the Medina. Construction will not be completed until the end of the Compact and beyond. It is unlikely that the expected tourism impact will be realized until 2-5 years beyond the end of the Compact.
<b>D. Artisan Promotion (\$10.6 m)</b>	Increased income of individual artisans and increased profits for SMEs in Fez and Marrakech	Pre-post	Baseline survey: 2011 End-line: post-Compact	Baseline report ( <i>Edesat</i> ): April 2011	Implementation of the main interventions planned under this Activity has suffered major delays and will begin mid-2012. MCC will plan on completing the evaluation in 2014-2015

#### 5.4 Financial Services Project (\$ 43.7 m)

Activity	Key outcomes Key evaluation questions	Proposed methodology	Data collection plan	Calendar of analytical reports	Notes
<b>A. Access to Funds for Microfinance (\$26 m)</b>	Increased lending capacity of the micro-finance sector Increased number of micro-finance clients	Performance evaluation (to be planned)	No baseline survey	Final performance evaluation: 2013 (to be planned)	The 3 Activities of this Project target directly the micro-credit sector and institutions and only indirectly the end users.
<b>B. New Financial Product Development (\$6 m)</b>	Improved regulatory environment for the micro-finance sector				
<b>C. Improvement of Operating Efficiency and Transparency (\$11.7 m)</b>	Increased geographical reach of micro-credit associations Improved efficiency of micro-credit associations				

#### 5.5 Enterprise Support Project (\$26.8 m)

Activity	Key outcomes Key evaluation questions	Proposed methodology	Data collection plan	Calendar of analytical reports	Notes
<b>A. ANPME Training (\$7.9 m)</b>	<ul style="list-style-type: none"> <li>Increased value-added of participating SMEs and AGR</li> <li>Increased survival rate among participating SMEs and AGR</li> </ul>	Impact evaluation with randomized treatment and control group of SMEs	Baseline survey: Follow-up surveys (3): 2010, 2011, 2012 Final survey: 2012 (last quarter)	<ul style="list-style-type: none"> <li>Baseline report (IPA): Jul. 2010</li> <li>Interim reports(IPA): May 2011; Oct. 2011; Apr. 2012</li> <li>Final evaluation report: Expected February 2013</li> </ul>	The evaluation is for the pilot phase (\$14m) of the Project and includes all 3 activities, with separate questionnaires for AGR (associations) and Moukawalati (SMEs). The Project will not be scaled up
<b>B. OFPPT Training (\$9.9 m)</b>					
<b>C. INDH Training (\$9.0 m)</b>					

## 5.6 Pilot projects of the Fruit Tree Productivity and Small-scale Fisheries Projects

Activity	Key outcomes Key evaluation questions	Proposed methodology	Data collection plan	Calendar of analytical reports	Notes
<ul style="list-style-type: none"> <li>–Cross cutting activities to integrate women in TC and AF projects</li> <li>–Pilot project to integrate women the chain value of targeted products</li> </ul>	<p>Increased women's income</p> <p>Women have the same opportunities to benefit from the Projects</p> <p>Women adopt modern techniques recommended by the Projects</p>	Pre post	<p>Baseline surveys: Planned November 2012</p> <p>End-line surveys: Planned May 2013</p>	<ul style="list-style-type: none"> <li>– Evaluation of intervention approach in TC project</li> <li>– Evaluation of intervention approach in AF project: January 13</li> <li>– Baseline report for Pilot projects' beneficiaries in agricultural sector : December 12</li> <li>– Baseline reports for Pilot projects beneficiaries in Fishery sector (January 13)</li> <li>– Final evaluation reports: July 2013</li> </ul>	<p>Pilot projects for the Small-scale Fisheries Project have not yet been identified. The selection is scheduled for July 2012.</p> <p>Because of significant delays in implementing the pilot projects, there is a risk that the end-line surveys will not capture the impact.</p>



## 5.7 Compact-Wide Midterm Review

A midterm review of the Compact was carried out by an independent firm (*Ikesol-Integration*) in 2010. The study aimed at evaluating the performance of the program, assessing the chances of achieving the objectives set for the end of the Compact, and recommending correcting measures as necessary. The evaluation firm used the following criteria to conduct its assessment project by project: consistency between design and implementation, effectiveness of implementation to date, potential for sustainability, and cross-cutting issues, such as gender, environment, and monitoring and evaluation. The firm drew information from project documents, including design studies, work plans, budget, status reports, and audit reports; interview with key informants on the project team (APP and the UGPs), implementers, and MCC; and interviews and focus groups with beneficiaries.

The consultant submitted a draft report in April 2011 and its final report in June 2010. The main findings can be summarized as follows.

- Projects aligned with government priorities and addressed real needs of beneficiaries, thus the projects were found to be relevant.
- Implementation was characterized as being excessively centralized and roles and responsibilities between APP and the UGP were not always clear, resulting in inconsistencies and confusion in decision making.
- Inefficiencies and implementation delays threatened the potential to achieve all objectives.

The main recommendations altogether suggested that project management urgently shift to a result driven approach and more specifically:

- Decentralize decision making process, paying closer attention to information coming from the field and strengthening the communication with beneficiaries.
- Put in place a system of risk management through project critical path analysis and constituting when needed task forces with decision making power to solve problems.
- Work on a sustainability plan anticipating post Compact activities that the Moroccan government should take over to sustain the project.
- As the APP accumulated a unique expertise in terms of managing public programs, maintain the entity after the end of the Compact as an agency dedicated to manage aid development project.

The main findings and recommendations were shared with APP management, MCC and projects teams both at APP and UGPs. It was originally anticipated that a final Compact-wide evaluation would be launched during the last year. However, it was decided against it because of the difficulty in procuring and managing a contract with such a wide-ranging scope on one hand, and the need to procure also during the last year a variety of end of compact data collection on the other. The extent to which the main recommendations of the mid-term

review were implemented should be however analyzed internally by the APP and UGP teams, perhaps in the Compact Completion Report.

## **6 M&E MANAGEMENT AND ADMINISTRATION**

### **6.1 *Monitoring and Evaluation Responsibilities***

The implementing agreement between APP and its implementing entities (UGP<sup>20</sup>) clearly establishes monitoring and evaluation responsibilities to each implementing entity. Therefore M&E units were created in every UGP to work under the coordination of the APP M&E Director (DME). The DME is tasked with building the capacity of the M&E units within UGPs and promote an exchange of experiences across the teams.

The M&E Plan is developed with the assistance of the UGPs. Each UGP M&E Unit is responsible for implementing a part of the M&E Plan that is relevant to its set of interventions and providing quarterly M&E reports to the DME, in conformity with the transmission schedule outlined above. The DME supervises the implementation of the M&E Plan and ensures that the actions of the UGP M&E Units conform to the established standards.

The DME is in charge of:

- Instituting an M&E Plan that integrates the collection, analysis, verification, and consolidation of information on performance indicators for all projects and places quarterly performance data in an information system.
- Developing procedure manuals for M&E that will form the basis of the monitoring and evaluation tasks of different entities.
- Developing and implementing an M&E training plan for UGP M&E Units, providing methodological tools for conducting M&E, as well as procedures for the collection, processing and dissemination of information.
- Disseminating performance outcomes and impacts to the Moroccan public to facilitate their participation in the MCC Program and engage different stakeholders who are directly or indirectly concerned with project activities and the success of the Program;
- Establishing a data-quality verification strategy with internal and external controls;
- Developing an annual work plan for the M&E staff which is to be submitted to the APP management and MCC for approval;
- Preparing TORs for contracts related to M&E, including baseline data, impact evaluations, program evaluations, mid-term and final evaluations, software for the management information system (MIS), the data quality review and special studies;
- Accompanying M&E Units to observe the process of collecting performance indicator data that are required by the M&E Units;

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<sup>20</sup> UGP stands for *Unité de Gestion des Projets*

- Assisting impact evaluation teams, notably supporting their missions and requirements for meetings, information, and accommodation, taking into account the recommendations of the evaluation team regarding data collection throughout the Compact (including sampling strategy, survey instrument design, survey pre-test etc.) and supporting the dissemination of findings throughout the impact evaluation and at its conclusion.

## **6.2 Training Strategy**

To improve the capacity of various stakeholders in implementing the M&E Plan, training modules were held for the M&E Units and project teams both at APP and UGPs. The modules covered:

- The log matrix approach and the project cycle
- The design and implementation of results-based M&E Plans
- Results-based Project management
- Evaluation of development projects
- Cost-benefit analysis of development project

Each module was provided twice so that people from the same team would follow the training without disrupting projects operations. The training was open to other people from the implementing entities. More than 50 officers benefitted from this training.

In addition, training on project management according to PMI standards was organized in 2011 to APP directors and coordinators as well as for the UGPs. One participant was recently certified Project Management Professional from the Project Management Institute.

## **6.3 Management Information System**

The Department of Monitoring and Evaluation is developing, through a contractor, OPTEAMAR & M7, selected through a competitive procurement process, an integrated management information system (MIS) to meet the needs of M&E for all Compact projects as well as project teams' needs. In addition to generating the detailed financial plan and procurement plan from project work plans, the MIS includes an archival space where all contracts, deliverables, and miscellaneous reports are stored to assure access a to larger number of users at APP, UGP and MCC.

## **7 BUDGET**

The initial M&E budget of \$20.7 million was over estimated and therefore was reduced in 2011 to \$14.7 million. The funds made available were allocated to other parts of the Compact, to the Small-scale Fisheries Project in particular.

The M&E budget was used to fund baseline surveys for the Fruit Tree Productivity Project, the Small Scale Fisheries Project, and two activities included in the Artisan and Fez Medina Project

(artisan production and promotion). It also funds APP's performance and impact evaluations, data quality review, M&E training and other activities required for the management of M&E activities.

**Tableau 6:** M&E Budget and disbursement

	<b>Annual disbursements</b>	<b>Cumulative disbursements</b>
Compact year 1	\$52,480	\$52,480
Compact year 2	\$1.4 million	\$1.47 million
Compact year 3	\$3.98 million	\$5.4 million
Disbursement Compact year 4 as of end May 2012	\$2.8 million	\$8.2 million
Forecast Compact year 4	\$4.67 million	\$10.1 million
Forecast compact year 5	\$4.6 million	\$14.743 million

## **ANNEXES**

## Annexes I: Indicator Documentation Table

### Annex I. 1: Indicator Documentation Table for Fruit Tree Productivity

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
<b>Activity 1 : Rain-fed Olive, Almond, and Fig Tree Intensification and Expansion</b>									
	Goal	Average agricultural revenue per farm in rehabilitation rainfed areas	Average agricultural revenue per farm who has benefited from measured as the difference between the value of all production done on the farm and total costs, fixed and variable. Methodology is described in the baseline report.	US\$	By sex	IE Surveys	APP/ME	Annual	
	Goal	Average agricultural revenue per farm in extension rainfed areas	Average agricultural revenue per farm measured as the difference between the value of all production done on the farm and total costs, fixed and variable. Methodology is described in the baseline report.	US\$	By sex	Baseline and final surveys	APP/ME	Baseline Post Compact survey	
	Outcome	Yield of rehabilitated olive trees in rain-fed areas	Total production of olives per hectare in a sample of perimeters targeted by the rehabilitation activity	tons/ha		IE Surveys	APP/ME	Annual	
	Output	Area planted in olive and almond trees	Total areas planted in olive and almond trees by the Project	Ha		TC-1A	Project team	Quarterly	
	Output	Hectares planted delivered to farmers	Areas planted in olive and almond trees by the Project and delivered to the farmers	Ha		TC-1A	Project team	Quarterly	

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
	Output	Areas with improved water and soil conservation measures	Total area in the perimeters targeted by the expansion interventions where water and soil conservation measures have been implemented	Ha		TC-1A	Project team	Quarterly	
<b>Activity 2: Olive Tree Irrigation and Intensification</b>									
	Goal	Average agricultural revenue per farm in PMH	Average agricultural revenue per farm measured as the difference between the value of all production done on the farm and total costs, fixed and variable. Methodology is described in the baseline report.	US\$	By sex	Baseline and final surveys	APP/ME	Baseline Final survey	
	Outcome	Yield of rehabilitated olive trees in irrigated areas	Total production of olives per hectare in a sample of perimeters targeted by the irrigation activity	Tons/ha		Baseline and final surveys	APP/ME	Baseline Final survey	
	Output	Hectares under improved PMH irrigation	Number of hectares where irrigation rehabilitation works have been completed in targeted PMH perimeters	Hectares		TC-1B		Quarterly	
	Process	Temporary employment generated in irrigation	Number of people temporarily employed or contracted by the irrigation construction contracts in PMH perimeters	number	By sex	TC-1B		Quarterly	
	Process	Value of signed irrigation construction contracts	Value of all signed construction contracts for PMH irrigation investments funded by the Project	US \$		Fiscal agent	Project team	Quarterly	
	Process	Percent disbursed of irrigation construction contracts	total amount of all signed construction contracts for PMH irrigation investments disbursed divided by the total value of all signed contracts	US \$		Fiscal agent	Project team	Quarterly	

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
<b>Activity 3: Date Tree Irrigation and Intensification</b>									
	Goal	Average Agricultural revenue per farm in oasis areas	Average agricultural revenue per farm measured as the difference between the value of all production done on the farm and total costs, fixed and variable. Methodology is described in the baseline report.	US\$	By sex	Baseline and final surveys	APP/ME	Baseline Final survey	
	Outcome	Amount of dates processed in oasis areas	Quantity of dates processed by the units either created or supported by the Project in the oasis perimeters	Tons		Baseline and final surveys	APP/ME	Baseline Endline	
	Outcome	Yield of rehabilitated date palms in oasis areas	Total production of dates per tree multiplied by the average number of trees per hectare, in the oasis perimeters targeted by the Project	kg/ha		Baseline and final surveys	APP/ME	Baseline Endline	
	Outcome	Number of in-vitro successfully planted	Number of in-vitro planted by the farmers that are alive after 6 months	Number		TC-5B	Project team	Quarterly	
	Outcome	Number of off-shoots successfully transplanted	Number of off-shoots that have been transplanted by farmers are alive after 3 months	Number		TC-5B	Project team	Quarterly	
	Output	Hectares under improved irrigation	Number of hectares where irrigation rehabilitation works have been completed in targeted oasis perimeters	Hectares		TC-1B	Project team	Quarterly	
	Output	Number of in-vitro distributed	Number of in-vitro distributed to farmers by the Project in the oasis perimeters	Number		TC-5B	Project team	Quarterly	
	Output	Number of suckers thinned	Number of suckers thinned by the Project in the targeted oasis perimeters	number		TC-5B	Project team	Quarterly	



Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
	Process	Temporary employment generated in irrigation	Number of people temporarily employed or contracted by the irrigation construction contracts in oasis perimeters	number	By sex	TC-1B	Project team	Quarterly	
	Process	Value of signed irrigation construction contracts	Value of all signed construction contracts for oasis irrigation investments funded by the Project	US \$		Fiscal agent	Project team	Quarterly	
	Process	Percent disbursed of irrigation construction contracts	total amount of all signed construction contracts for oasis irrigation investments disbursed divided by the total value of all signed contracts	US \$		Fiscal agent	Project team	Quarterly	
<b>Activity 4: Fruit Tree Sector Services</b>									
	Outcome	Hectares under improved practices as a result of training and technical assistance	The number of hectares where new techniques are being used, including rehabilitation, extension and irrigation interventions	Ha		Surveys	APP M&E	Endline	
	Outcome	Share of virgin and extra virgin olive oil to total olive oil production in targeted areas	Share of virgin and extra virgin olive oil to total olive oil production in the units in the rehabilitation areas targeted by the project (does not include the Catalyst Fund units )	%		IE Surveys	APP M&E	Baseline Endline	
	Outcome	Olive and dates processing units that have applied improved techniques	Number of olive and date processing units targeted by the Project that are applying the techniques promoted by the Project	number		Final evaluation		Endline	
	Output	New date packaging and cold storage units installed	Number of new date packaging units created by the Project in the targeted oasis perimeters	number		TC-5B	Project team	Quarterly	

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
	Output	Farmers trained in all areas targeted by the Project	Number of farmers that have completed at least one training module in rainfed (olives or almonds), PMH (olives) and oasis (dates) perimeters targeted by the Project	number	By sex	TC-5A TC-5B	Project team	Quarterly	
	Output	Youth farmers trained in all areas targeted by the Project	Number of farmers' children and other youth in rural areas that have completed at least one training module in rainfed (olives or almonds), PMH (olives) and oasis (dates) perimeters targeted by the Project	number	By sex	TC-5A TC-5B	Project team	Quarterly	
	Output	OPA's members trained in all areas targeted by the Project	Number of people member of professional agricultural organizations (OPA) that have completed at least one training module in all areas targeted by the Project	number	By sex	TC-5A TC-5B	Project team	Quarterly	
	Output	Olive and date processors assisted	The number of olive or date processing units that are receiving technical assistance on production and hygiene techniques through the Project	number	By sex	TC-5A TC-5B	Project team	Quarterly	
	Output	Pilot projects from women's organizations receiving support	Number of women organizations that have been selected as pilot projects and are being implemented	number		TC-5A TC-5B	Project team	Quarterly	

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
<b>Activity 5: Catalyst Fund</b>									
	Outcome	Volume of olives crushed by the processing units funded by the CF	Quantity of olives processed by the processing units operated by the GIE (Groupements d'Interet Economique) funded by the Catalyst Fund	Tons		TC-5A	Project team	Y5	
	Output	Number of operational olive processing units funded by the CF	Number of processing units that are operational through CF support to GIE	number		TC-5A	Project team	Quarterly	
	Output	Number of CF proposals approved	Number of project that have received all the approvals for funding under the CF and are ready to be implemented	number		TC-5A	Project team	Quarterly	
	Process	Disbursements under the Catalyst Fund	Amount disbursed by the CF	US \$		Fiscal agent	Project team	Quarterly	

**Annex I. 2: Indicator Documentation Table for Small Scale Fisheries**

**A. Development of fish landing sites and port facilities (PDA and Ports)**

Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Goal	Net annual income of boats at PDAs and ports	Average annual value of catches (all species) minus operating costs (gasoline, ice, maintenance) of boats operating in the PDAs and Ports financed by the Project	US\$	0	surveys INRH	INRH	Baseline Endline
Outcome	Average price of fish at auction hall in PDAs and Ports	Average annual price for a pre-determined basket of the main species of fish sold by fishermen at the auction hall of the PDA of TIFNIT. The average is re-calculated every quarter to incorporate new data until year end.	DH/kg	0	ONP information system	UGP	Quarterly
Output	Number of boats using new landing sites and port infrastructure	Average daily number of boats landing at PDAs and ports per day over the last quarter	number	0	ONP Information System	UGP	Quarterly
Output	Number of PDAs and ports available to fishermen	Number of PDA and ports where artisan fisheries infrastructure is constructed or equipped and accepted by the Project	Number	0	Project	Project	Quarterly

A. Development of fish landing sites and port facilities (PDA and Ports) (SUITE)							
Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Output	Number of artisan fishers who received a training certificate	Cumulative number of fishermen who completed the training and have received a certificate of completion	Number	0	UGP	UGP	Quarterly
Output	Number of pilot projects being implemented	Number of pilot projects approved and under implementation to integrate women in the small fishery value chain	Number	0	UGP	UGP	Quarterly
Output	Number of AMP created	Number of AMP (Maritime Protected Areas) officially created (as published in the government official bulletin).	number	0	UGP	UGP	Quarterly
Process	Percent of PDAs and ports construction and equipment contracts disbursed	Value of signed construction and equipment contract disbursed as a share of the total value of all 22 construction and equipment contracts	Percent	0	Fiscal Agent	APP M&E	Quarterly

**B. Development of wholesale fish markets**

Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Outcome	Per capita fish consumption in urban areas	Average per capital household consumption of fish in cities with wholesale fish markets financed by the Project	Kilograms		Final evaluation	APP M&E	Baseline Endline
Output	Quantity of fish sold through the new wholesale market of Beni Mellal	Total volume of fish sold through the Beni Mellal wholesale markets funded by MCC	Tons		ONP information system	UGP	Quarterly
Process	Percent of wholesale market construction contracts disbursed	Value of signed construction contract disbursed as a share of the total value of all 5 construction contracts	Percentage		Fiscal Agent	APP M&E	Quarterly

C. Support to mobile fish vendors							
Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Goal	Net annual income of mobile fish vendors	Aggregate annual value of sales of all mobile fish vendors minus - costs (gasoline, insurance, ice, depreciation, interest)	US\$		Baseline and Y4 surveys	APP M&E	Baseline Y4
Outcome	Quantity of fish sold by mobile fish vendors	Average weight of fish sold per day by a mobile fish vendor supported by the Project. Daily average is calculated over a quarter.	Kilograms		Baseline (AF-5) and Y4 surveys	M&E	Baseline Y4
Output	Number of active mobile fish vendors trained and equipped by the project	Cumulative number of active mobile fish vendors who have been trained and equipped with a motorcycle and insulated ice chest subsidized by the project	Number		UGP	UGP	Quarterly

**Annex I. 3 : Indicator Documentation Table for Artisan and Fez Medina Project**

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Dis-aggregation	Primary Data Source	Responsible Party	Frequency of Reporting
<b>Activity 1: Artisan Production</b>								
	Goal	Income of individual artisans and employees	Average annual net income of individual artisans	US \$		Baseline and endline surveys	APP/MCC	Baseline Endline
	Outcome	Pottery production loss rate	Average number of pottery pieces broken or destroyed during a cooking operation over the total number of pieces cooked	Percentage		Baseline and endline study	UGP/APP	Baseline Endline
	Outcome	Adoption rate of improved production practices promoted by the Project	Number of potters who adopted 50 % of improved practices recommended by the project as a share of the number of potters trained	Percentage		Endline study	UGP/APP	Endline
	Output	Number of potters trained	Number of potters who attended at least one training module	number		Project	UGP	Quarterly
	Output	Number of gas kilns delivered to artisans	Cumulative number of gaz kilns bought by potters with the project subsidy	number		Project	UGP	Quarterly



Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Dis-aggregation	Primary Data Source	Responsible Party	Frequency of Reporting
<b>Activity 2 : Artisan Promotion</b>								
	Goal	Profit of SMEs	Average annual net revenue of artisan SMEs (value of sales minus all costs)	US \$		Baseline and endline surveys	APP/MCC	Baseline Endline
	Goal	Income of individual artisans and employees	Average annual net income of individual artisans	US \$		Baseline and endline surveys	APP/MCC	Baseline Endline
	Outcome	Number of SMEs that append the label on their products	Cumulative number of SMEs that have appended the label on at least one of their products	number	By sex	Project reporting	UGP	Endline
	Output	Number of touristic circuits created/upgraded by the Project	Number of touristic circuits that have been created or upgraded in Fez and Marrakech, where guides and maps that have been developed and distributed to tourism professionals	number		Project	UGP	Quarterly
	Output	Number of artisans participating in promotion events	Number of artisans who have participated in at least one national or international shows or marketing trips	number	By sex	Project	UGP	Quarterly
	Output	Number of SMEs participating in promotion events	Number of SMEs who have participated in at least one national or international shows or marketing trips	number	By sex	Project	UGP	Quarterly

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Dis-aggregation	Primary Data Source	Responsible Party	Frequency of Reporting
<b>Activity 3: Fez Medina</b>								
	Outcome	Number of tourists visiting Fez	Annual number of tourist visiting Fez who stayed in hotels rated by the Tourism Observatory at least one night	number		Tourism Observatory of Fez	UGP	Quarterly
	Outcome	Average length of stay in hotels of Fez	Average number of nights spent by tourist in Fez in hotels rated by the Tourism Observatory on a yearly basis	number		Tourism Observatory of Fez	UGP	Quarterly
	Outcome	Average daily expenditures per tourist	Average amount of money spent by one tourist over 24 hours in Fez.	US Dollars		Survey	UGP	Post-compact survey
	Process	Value of signed construction and rehabilitation works contracts	Total value of signed contracts for construction and rehabilitation works for the 6 sites : PLY, 4 foundouks and Ain Nokbi	US Dollars	-	Fiscal agent	APP/UGP	Quarterly
	Process	Value disbursed of construction and rehabilitation works contracts	The total amount disbursed of all signed contracts for the construction and rehabilitation of the six sites:PLY, 4 foundouks and Ain Nokbi	US Dollars		Fiscal agent	APP/UGP	Quarterly

**Annex I. 4: Indicator Documentation Table for Functional Literacy & Vocational training**

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
<b>Activity name: Functional Literacy &amp; Vocational training</b>									
<b>Sub activity 1: Functional Literacy</b>									
	Goal	Annual income of functional literacy beneficiaries	Income : Value of sales - costs for self-employed or salaries for farmers, artisans and fishers	US \$	By sex By sector	Baseline Post-compact survey	APP M&E	Baseline Post-Compact	
E-7	Outcome	Graduates of MCC-supported Functional Literacy program	The number of students who graduate from the 420-hour Functional Literacy training program and obtain a Functional Literacy certificate	number	By sex	MSI	Project team	Quarterly	target is measured as 80% exam passing rate among the 75% of enrollees remaining to the end of the program
E-6	Output	Students participating in the MCC-supported functional literacy program	Number of artisans, fishers and farmers enrolled in the literacy training program. Enrolled students have been selected by the placement exam for the Functional Literacy program and have shown up to the first class	number	By sex	MSI	Project team	Quarterly	
E-5	Output	Instructors trained in functional literacy	Numbers of functional literacy instructors who have completed the MCC-supported training-of-trainers program (including <i>alphabétiseurs, superviseurs</i> )	number	By sex	MSI	Project team	Quarterly	
E-1	Process	Value of signed educational facility equipping contracts (Functional Literacy)	The value of all signed contracts for educational facility equipping for the functional Literacy sub-Activity	US Dollars		Fiscal agent	Fiscal agent	Quarterly	
E-2	Process	Value disbursed of equipping contracts (Functional Literacy)	The value disbursed of all signed equipping contracts for the functional literacy sub-Activity	US Dollars		Fiscal agent	Fiscal agent	Quarterly	

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
<b>Sub activity 2: Vocational training</b>									
	Goal	Annual income of vocational training beneficiaries (residential and apprenticeship)	Value of sales - costs for self-employed graduates or salaries for graduated and employed artisans	US Dollars	male/female	Post-compact survey of graduates	Direction du Suivi & Evaluation	Baseline and Post-compact survey	
	Goal	Annual income of Continuing training beneficiaries	Value of sales - costs for self-employed participants in continuing training or salaries for participants	US Dollars	male/female	Post-compact survey of graduates	Direction du Suivi & Evaluation	Baseline and Post-compact survey	Source = ERR
E-8	Outcome	Employed graduates of MCC-supported education activities/residential and apprenticeship vocational training	Number of MCC-supported residential and apprenticeship vocational training program graduates, employed in their field of study (fine ironwork, fine carpentry, traditional weaving, pottery, or leatherwork) within one year of graduation	Number	male/female	Post-compact survey of graduates	Direction du Suivi & Evaluation	Baseline and Post-compact survey	
E-7	Outcome	Graduates of MCC-supported vocational training program (residential and apprenticeship)	The number of students who have completed the 2-year residential or 1-2 year apprenticeship training programs and passes the competency test (diploma for residential and certificate of completion for apprenticeship)	Number	male/female	List of female graduates ( <i>femmes et toute catégorie d'âge</i> ) of residential and apprenticeship training (MSI quarterly report, as reported by artisan sector)	Functional Literacy Vocational Training Project and MSI	Annual	MCC-supported program started in Year 3

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
E-6	Output	Students enrolled in MCC-supported résidentiel or apprenticeship programs	Numbers of students enrolled in the 2-year residential or the 1-2-year apprenticeship programs. A student is reported as enrolled when presence in the program is confirmed at the beginning of the term following registration.	number	male/female	MSI quarterly report, as reported by artisan sector	Functional LiteracyVocational Training Project and MSI	Quarterly	MCC-supported program started in Year 3
E-5	Output	Instructors trained for residential and apprenticeship	Numbers of instructors who complete the MCC-supported training-of-trainers program	number	male/female	MSI quarterly report, as reported by artisan sector	Functional LiteracyVocational Training Project and MSI	Quarterly	
	Outcome	Drop-out rates of participants of residential and apprenticeship programs.	Percentage of residential and apprenticeship trainees who drop-out of the programs prior to completion.	Percentage	male/female	MSI quarterly report, as reported by artisan sector	Functional LiteracyVocational Training Project and MSI	Quarterly	MCC-supported program started in Year 3
	Output	Artisans participating in the MCC-supported continuing education program.	Numbers artisans attending the 4-day continuing education program	number	male/female	MSI quarterly report	Functional LiteracyVocational Training Project and MSI	Quarterly	MCC-supported program started in Year 3
E-1	Process	Value of signed educational facility equipping contracts (Vocational Training)	The value of all signed contracts for educational facility equipment for the vocational training sub-Activity	US Dollars		Fiscal agent	Fiscal agent	Quarterly	
E-2	Process	Value disbursed of construction, réhabilitation and equipping contracts (Vocational Training)	The value disbursed of all signed equipping contracts for the Vocational Training sub-Activity	US Dollars		Fiscal agent	Fiscal agent	Quarterly	

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
<b>Sub activity 3: Competitive Skills Development Program</b>									
	Goal	Annual income of Competitive Skills Development Program beneficiaries	Income : Value of sales - costs for self-employed or salaries for farmers, artisans and fishers	US Dollars	By sex	Baseline Post-compact survey	APP M&E	Baseline Post-Compact	
	Outcome	Number of beneficiaries who obtained a Competitive Skills Development Program certificate of completion	Total number of Competitive Skills Development Program beneficiaries from artisan, fisheries and agriculture sectors who have successfully completed the program	Number	By sex	MSI	Projet team	Quarterly	Competitive Skills Development program has several categories of programs, overlapping several sectors, addressing different skill sets (literacy vs. vocational)

**Annex I. 5: Indicator Documentation Table for Financial Services**

<b>Project: Financial Services</b>							
<b>Indicator Level</b>	<b>Indicator Name</b>	<b>Definition</b>	<b>Unit of Measure</b>	<b>Disaggregation</b>	<b>Primary Data Source</b>	<b>Responsible Party</b>	<b>Frequency of Reporting</b>
Goal	Number of active microfinance clients	Number of individuals who currently have at least one open loan with a microcredit association in Morocco	number	By sex	Statistics from FNAM, and Reports from Jaida	Project team	quarterly
Goal	Outstanding portfolio of the microfinance sector	Value of loans outstanding at microcredit associations in Morocco	Billion DHS		Statistics from FNAM, and Reports from Jaida	Project team	quarterly

A. Access to Funds for Microfinance							
Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Outcome	Value of loan agreements between Micro credit associations and Jaida	Total value of loans agreements signed between Jaida and microcredit associations (AMCs)	Million DHS		JAIDA	Project team	semi-annual
Output	Number of loan officers trained on social and environmental norms	Number of microcredit association officers who have completed the training on social and environmental norms by APP	Number	By sex	JAIDA	Project team	quarterly
Output	Value of loan disbursements to Jaida	Value of MCC funds disbursed to Jaida	US Dollars		Project team	Project team	semi-annual



B. New Financial Product Development							
Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Output	Number of AMCs with a grant from the TA/Transformation Fund	Number of Micro credit associations that have obtained a grant from the Technical Assistance/Transformation Fund in support of their transformation from association to a new status	number		Project team	Project team	
Process	Percent disbursed of the transformation technical assistance fund	Value of the technical assistance/transformation contracts disbursed as a share of the total budget of the technical assistance fund	Percent		Fiscal agent	Project team	

C. Improvement of Operating Efficiency and Transparency							
Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Outcome	Financial self sufficiency ratio	Financial Revenue/(Financial Expense + Impairment Losses on Loans + Operating Expenses. The weighed average is calculated for the main AMCs (Alamana, Fondation Banque Populaire, Fonddep et Ardi) that represent 90% of the microcredit market.	Percentage		Statistics from Center Mohammed VI + the certified financial statements of all AMCs	Project team	annual

Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Outcome	Portfolio at risk 30 days	Outstanding balance, portfolio overdue > 30 Days + renegotiated portfolio / Gross Loan Portfolio [Average for all AMCs in Morocco]	Percentage		Statistics from Center Mohammed VI	Project team	Annual
Outcome	Value of loans granted through mobile branches	Cumulative value of all loans provided by AMCs through MCC-funded mobile branches	US Dollars		Project	Project team	annual
Outcome	Number of mobile branches clients	Cumulative number of clients of AMCs who contracted at least one loan through a mobile branch funded by MCC	number	By sex	Project	Project team	quarterly

Indicator Level	Indicator Name	Definition	Unit of Measure	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting
Outcome	Proportion of AMCs who report to the credit bureau	Number of AMCs who report portfolio information to the Credit bureau as a share of the total number of AMCs	Percentage		Statistics from FNAM and BAM	Project team	semi-annual
Outcome	Proportion of AMCs who request information to the credit bureau	Number of AMCs who request information about their clients to the Credit Bureau as a share of the total number of AMCs	Percentage		Statistics from FNAM and BAM	Project team	semi-annual
Output	Number of mobile branches acquired	Number of mobile branches acquired by AMCs through the project	Number		Project	Project team	Quarterly
Output	Number of financial ratings carried out	Number of financial ratings requested by AMCs and completed with funding from the Rating Fund	Number		Project	Project team	quarterly
Output	Number of social ratings carried out	Number of social ratings requested by AMCs and completed with funding from the Rating Fund	Number		Project	Project team	quarterly
Output	Number of AMCs with a grant from the Technology Facility	Number of AMCs who have requested a grant to support new technology and are using it in their operations	Number		Project	Project team	quarterly

Annexes II: Indicators' baseline and targets

Annex II. 1: Baselines and Target Table for Fruit Tree Productivity project

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (Year )	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
<b>Activity 1 : Rain-fed Olive, Almond, and Fig Tree Intensification and Expansion</b>													
	Goal	Average agricultural revenue per farm in rehabilitation rainfed areas	US\$	Level	1 600				1 715	1 850	1 850	Agricultural season 2009/10	ERR
	Goal	Average agricultural revenue per farm in extension rainfed areas	US\$	Level	2 502					2 234	2 234	Agricultural season 2008/09	ERR
	Outcome	Yield of rehabilitated olive trees in rain-fed areas	tons/ha	Level	1,14				1,31	1,48	1,48	Agricultural season 2009/10	ERR
	Output	Area planted in olive and almond trees	Ha	Cumulative	0	398	9 262	42 451	60 372	60 372	60 372		Project documents (TC-3A)
	Output	Hectares planted delivered to farmers	Ha	Cumulative	0	0	0	4 803	25 496	60 372	60 372		Project documents (TC-3A)
	Output	Areas with improved water and soil conservation measures	Ha	Cumulative	0	1 643	4 130	23 547	41 901	41 901	41 901		Project documents (TC-3A)
<b>Activity 2: Olive Tree Irrigation and Intensification</b>													
	Goal	Average agricultural revenue per farm in PMH	US\$	Level	4 784					6 480	6 480	Agricultural season 2008/09	ERR
	Outcome	Yield of rehabilitated olive trees in irrigated areas	Tons/ha	Level	4,20					6,00	6,00	Agricultural season 2008/09	ERR
	Output	Hectares under improved PMH irrigation	Hectares	Cumulative	0			5 730	27 000	33 983	33 983		Project documents (TC-3B)

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (Year )	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
	Process	Temporary employment generated in irrigation	number	Cumulative	0	n/a	n/a	n/a	n/a	n/a	n/a		
	Process	Value of signed irrigation construction contracts	US \$	Cumulative	0		10 056 392	48155684	56718496, 38	56718496, 38	56718496, 38		Project documents (TC-3B)
	Process	Percent disbursed of irrigation construction contracts	US \$	Cumulative	0		11%	24%	85%	100%	100%		Project documents
<b>Activity 3: Date Tree Irrigation and Intensification</b>													
	Goal	Average Agricultural revenue per farm in oasis areas	US\$	Level	8 447					11 831	11 831	Agricultural season 2008/09	ERR
	Outcome	Amount of dates processed in oasis areas	Tons	Level	128					5 728	5 728	Agricultural season 2008/09	Project documents (IOS Partner study)
	Outcome	Yield of rehabilitated date palms in oasis areas	kg/tree	Level	36,3					56,6	56,6	Agricultural season 2008/09	ERR
	Outcome	Number of in-vitro successfully planted	Number	Cumulative	0			10 700	47 244	236008	236008		Project documents (TC-6A1 and TC-5B)
	Outcome	Number of off-shoots successfully transplanted	Number	Cumulative	0			50 912	343 275	343 275	343 275		Project documents (TC-6A2 and TC-5B)
	Output	Hectares under improved irrigation	Hectares	Cumulative	0			12 362	19 393	19 393	19 393		Project documents (TC-3B)

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (Year )	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
	Output	Number of in-vitro distributed	Number	Cumulative	0			49 730	108 800	250 000	250 000		Project documents (TC-6A1)
	Output	Number of suckers thinned	number	Cumulative	0			59 474	140 000	140 000	140 000		Project documents (TC-6A2)
	Process	Temporary employment generated in irrigation	number	Cumulative	0	n/a	n/a	n/a	n/a	n/a	n/a		
	Process	Percent disbursed of irrigation construction contracts	US \$	Cumulative	0		7%	51%	96%	100%	100%		Project documents
	Process	Value of signed irrigation construction contracts	US \$	Cumulative	0		21 431 588	35393636, 62	35393636, 62	35393636, 62	35393636, 62		contrats des travaux TC-3B
<b>Activity 4: Fruit Tree Sector Services</b>													
	Outcome	Hectares under improved practices as a result of training and technical assistance	Ha	Cumulative	0					91 273	91 273		Etudes TC-1A et TC-1B (PARIOP)
	Outcome	Share of virgin and extra virgin olive oil to total olive oil production in targeted areas	%	Level	35,0					60,0	60,00		Direction du PAF/APP
	Outcome	Olive and dates processing units that have applied improved techniques	number	Cumulative	0					114	114		contrats TC-5A et TC-5B

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (Year )	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
	Output	New date packaging and cold storage units installed	number	Cumulative	0				5	7	7		Direction du PAF/APP
	Output	Farmers trained in all areas targeted by the Project	number	Cumulative	0			8 344	42 000	42 000	42 000		contrats TC-5A et TC-5B
	Output	Youth farmers trained in all areas targeted by the Project	number	Cumulative	0			2 489	7 500	7 500	7 500		contrats TC-5A et TC-5B
	Output	OPA's members trained in all areas targeted by the Project	number	Cumulative	0				2 880	2 880	2 880		contrats TC-5A et TC-5B
	Output	Olive and date processors assisted	number	Cumulative	0				108	114	114		contrats TC-5A et TC-5B
	Output	Pilot projects from women's organizations receiving support	number	Cumulative	0				14	14	14		Résultats de la commission de sélection



Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (Year )	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
<b>Activity 5: Catalyst Fund</b>													
	Outcome	Volume of olives crushed by the processing units funded by the CF	Tons	Cumulative	0					6 240	6 240		Etudes de faisabilité des 4 GIE de la première tranche
	Output	Number of operational olive processing units funded by the CF	number	Cumulative	0				10	20	20		Workplan CF
	Output	Number of CF proposals approved	number	Cumulative	0				20	20	20		Workplan CF
	Process	Disbursements under the Catalyst Fund	US \$	Cumulative	0				19 200 000	19 200 000	19 200 000		DFF PAF

**Annex II. 2: Baseline and targets for Small Scale Fisheries project**

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year
<b>A .Development of fish landing sites and port facilities (PDA and Ports)</b>											
Goal	Net annual income of boats at PDAs and ports	US\$	level	16 058					27 434	27 434	2010
Outcome	Average price of fish at auction hall in PDAs and Ports	DH/kg	level	35,19					40,5	40,5	2010
Output	Number of boats using new landing sites and port infratructure	Number	cumulative	0	0	0	0	393	4 368	4 368	
Output	Number of PDAs and ports available to fishermen	Number	cumulative	0	0	0	0	2	22	22	
Output	Number of artisan fishers who received a training certificate	Number	cumulative	0				7 000	15 000	15 000	
Output	Number of pilot projects being implemented	Number	cumulative					4	4	4	
Output	Number of AMP created	number	cumulative						3	3	
Process	Percent of PDAs and ports construction and equipment contracts disbursed	Percent	cumulative					<b>49%</b>	<b>100%</b>	<b>100%</b>	

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year
<b>B. Development of wholesale fish markets</b>											
Outcome	Per capita fish consumption in urban areas	Kilograms	level	12					14	14	2010
Output	Quantity of fish sold through the new wholesale market of Beni Mellal	Tons	cumulative	0					9 391	9 391	
Process	Percent of wholesale market construction contracts disbursed	Percentage	cumulative	0				51%	100%	100%	
<b>C. Support to mobile fish vendors</b>											
Goal	Net annual income of mobile fish vendors	US\$	level	3 587				4 880	4 880	4 880	2010
Outcome	Quantity of fish sold by mobile fish vendors	Kilograms	level	65				72	72	72	2010
Output	Number of active mobile fish vendors trained and equipped by the project	Number	cumulative	0			199	750	1 300	1 300	2010

**Annex II. 3 : baseline and targets for Artisan and Fez Medina Project**

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
<b>Activity 1: Artisan Production</b>												
Goal	Income of individual artisans and employees	US \$	level	4 351					TBD		2011	Project documents
Outcome	Pottery production loss rate	Percentage	level	30					5	5	2006	Project documents
Outcome	Adoption rate of improved production practices promoted by the Project	Percentage	level	0					80	80		Project documents
Output	Number of potters trained	number	cumulative	0			2 332	2 332	2332	2332	2010	Project documents
Output	Number of gas kilns delivered to artisans	number	cumulative	0					144	144	2009	

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
<b>Activity 2: Artisan Promotion</b>												
Goal	Profit of SMEs	US \$	level	29 137					TBD	TBD	2011	Project documents
Goal	Income of individual artisans and employees	US \$	level	4 351					TBD	TBD	2011	Project documents
Outcome	Number of SMEs that append the label on their products	number	level	0					30	30		Project documents
Output	Number of touristic circuits created/upgraded by the Project	number	cumulative	0					7	7		Project documents
Output	Number of artisans participating in promotion events <sup>21</sup>	number	cumulative	0					200	200		Project documents
Output	Number of SMEs participating in promotion events <sup>22</sup>	number	cumulative	0					130	130		Project documents

<sup>21</sup> 60 artisans will participate to each of the 2 Expo artisan national shows. In addition, 15 artisans will participate to each of the 10 festivals. Supposing that 25% of artisans will participate to both of these types of events, the total number of artisans benefitting from these events is 200.

<sup>22</sup> 10 SMEs will participate to each of the 5 international shows. 30 SMEs will participate to each of the 2 Expo Artisans national shows. 10 SMEs will participate to each of the 6 marketing trips. Supposing that 25% will benefit from the three types of events, the number of SMEs that will benefit from these events is 130.

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
<b>Activity 3: Fez Medina</b>												
Outcome	Number of tourists visiting Fez	number	Level	341 076						391 998	2005	ERR
Outcome	Average length of stay in hotels of Fez	number	Level	2,20						2,21	2005	ERR
Outcome	Average daily expenditures per tourist	US Dollars	Level	165						167	2005	ERR
Process	Value of signed construction and rehabilitation works contracts	Millions US Dollars	cumulative	0	-	-	-	27.8	27.8	27.8		Project documents
Process	Value disbursed of construction and rehabilitation works contracts	Millions US Dollars	cumulative	0				20	27.8	27.8		Project documents

## Annex II. 4: Baseline and targets for Functional Literacy and Vocational training

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
<b>Sub activity 1: Functional Literacy</b>												
Goal	Annual income of functional literacy beneficiaries	US Dollars	Level	1 426				TBD	TBD	TBD	2011	Targets will be defined in collaboration with the economists on the team.
Outcome	Graduates of MCC-supported Functional Literacy program.	number	Cumulative	0				5 936	41 491	41 491		Project reports and calculating on the basis of a completion rate of 75 % and a success rate of 80 %
Output	Students participating in the MCC-supported functional literacy program .	number	Cumulative	0		9 893	34 713	69 152	69 000	69 000		Project documents
Output	Instructors trained for Functional Literacy	number	Cumulative	0				2 150	2 400	2 400		Project documents
Process	Value of signed educational facility equipping contracts (Functional Literacy)	US Dollars	Cumulative	0		308 846	308 846	308 846	308 846	308 846		Project documents
Process	Value disbursed of equipping contracts (Functional Literacy)	US Dollars	Cumulative	0			276 535	308 846	308 846	308 846		Project documents

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
<b>Sub activity 2: Vocational training</b>												
Goal	Annual income of vocational training beneficiaries (residential & apprenticeship)	US Dollars	Level	317				TBD	TBD	TBD	2011	Contrats ME-1 C and own calculation
Goal	Annual income of Continuing training beneficiaries	US Dollars	Level	2 599				TBD	TBD	TBD	2011	Contrats ME-1 C and own calculation
Outcome	Employed graduates of MCC-supported education activities/residential and apprenticeship vocational training	Number	Cumulative	0						2 249		Project reports and own calculation
Outcome	Graduates of MCC-supported vocational training program (residential and apprenticeship)	Number	Cumulative	0			1 157	2 402	3 747	3 747		Project reports and own calculation
Output	Students enrolled in MCC-supported residential or apprenticeship programs	number	Cumulative	0			3 745	8 700	8 700	8 700		Project reports and own calculation
Output	Instructors trained for residential and apprenticeship	number	Cumulative	0				196	196	196		Project reports and own calculation
Outcome	Drop-out rates of participants of residential and apprenticeship programs.	Percentage	Level	60				40	40	40	2009	Project reports and own calculation
Output	Artisans participating in the MCC-supported continuing education program	number	Cumulative	0			7265	10176	14250	14250		Project reports and own calculation
Process	Value of signed educational facility equipping contracts (Vocational Training)	US Dollars	Cumulative	0			1 082 505	4 182 675	4 182 675	4 182 675		Project documents
Process	Value disbursed of construction, rehabilitation and equipping contracts (Vocational Training)	US Dollars	Cumulative	0			150 331	830 472	4 182 674	4 182 674		Project documents



Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year	Source or calculation of targets
<b>Sub activity 3: Competitive Skills Development Program</b>												
Goal	Annual income of Competitive Skills Development Program beneficiaries	US Dollars	level	1 118				TBD	TBD	TBD	2011	Contrats (ME-1 E, ME-1 C & ME-1 B) and own calculation
Outcome	Number of recipients of the Competitive Skills Development Program who receive a certificate of completion	Number	Level	0				3 405	7 583	7 583		Project reports and own calculation

## Annex II. 5: Baseline and targets for Financial Services

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year
Goal	Number of active microfinance clients	number	Cumulative	795 860	1 161 447	872 412	795 860	877 436	967 373	967 373	2011
Goal	Outstanding portfolio of the microfinance sector	Billion DHS	Cumulative	4,7	5,0	4,8	4,7	5,1	5,7	5,7	2011

### A. Access to Funds for Microfinance

Outcome	Value of loan agreements between Micro credit associations and Jaida	Million DHS	Cumulative	276	384	238	439	733	983	983	2008
Output	Number of loan officers trained on social and environmental norms	Number	level	0	0	0	1 000	3 000	3 000	3 000	
Output	Value of loan disbursements to Jaida	US million Dollars	Cumulative	0	6.4	18.7	18.7	25	25	25	

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year
<b>B. New Financial Product Development</b>											
Output	Number of AMCs with a grant from the TA/Transformation Fund	number	level					12	12	12	
Process	Percent disbursed of the transformation technical assistance fund	Percent	Cumulative					20	100	100	
<b>C. Improvement of Operating Efficiency and Transparency</b>											
Outcome	Financial self sufficiency ratio	Percentage	level	99		94	99	104	109	109	2017
Outcome	Portfolio at risk 30 days	Percentage	level	6,00	10,56	8,25	6,0	5	4,50	4,50	2017
Outcome	Value of loans granted through mobile branches	USD	Cumulative	0	0	0	0	(75 000 000/4)/8,5 = 18750000/8,5= 2 205 882	330 000 000/8,5= 38 823 529	330 000 000/8,5= 38 823 529	

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Baseline year
Outcome	Number of mobile branches clients	number	Cumulative	0	0	0	0	12 500	55 000	55 000	
Outcome	Proportion of AMCs who report to the credit bureau	Percentage	level	0	17	30	60	100	100	100	
Outcome	Proportion of AMCs who request information to the credit bureau	Percentage	level	0	0	0	0	100	100	100	
Output	Number of mobile branches acquired	Number	Cumulative	0	0	0	0	50	100	100	
Output	Number of financial ratings carried out	Number	level	0	0	2	4	6	8	8	
Output	Number of social ratings carried out	Number	level	0	0	1	3	5	7	7	
Output	Number of AMCs with a grant from the Technology Facility	Number	level	0	0	0	4	11	11	11	